

## COMMITTEE ON FINANCE

**May 21, 2001**

**6:00 PM**

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance.

A moment of silent prayer was observed.

The Clerk called the roll.

**Present:** Aldermen Wihby, Gatsas, Levasseur, Sysyn, Pinard, Lopez, Shea, Vaillancourt, Pariseau, Cashin, Thibault, Hirschmann

**Absent:** Aldermen Clancy, O'Neil

**Messrs.:** K. Clougherty, G. Sullivan, J. Gross, M. Vandeboucoeur, L. LaFreniere, M. Sink, R. MacKenzie, S. Maranto

Mayor Baines addressed item 4 of the agenda:

Continuing discussions relative to FY2002 budget requests as follows:

### **MCTV**

Dr. Sullivan stated thank you very much, Your Honor. I would like to thank Wayne Robinson for working with us in putting together this presentation and also I would like to thank all the Aldermen that have met with us previously to this and have given us suggestions as to what information that we should provide in this presentation. I would also like to introduce Mark Vandeboucoeur who is the operations manager of Manchester Community Television and Jon Gross who is a member of the MCTV Advisory Committee who this year has been working with us along with twelve other people on the Advisory Committee the Transition Committee and then five additional pro bono professionals that have been working with us. Tonight we have two people here Michael Davidow and Amy Ackmann so thank you very much...and Mark if you would like to start off.

Mr. Vandeboucoeur stated first starting off with our goals of course one of our primary goals for the next budget cycle in addition to transition to a non-profit is to establish a state of the art community television media center. Of course some

of the benefits we have talked about before accessibility during the day and weekends, a downtown location, a production van for portability and this whole concept will elevate MCTV to the next logical level. So far the committee and MCTV staff have visited four locations...one directly downtown and three in the millyard area. The prices that we have gotten back on square footage are negotiable based on our possible non-profit status and the budget which Jon Gross will talk to that later. We have been working with Fred Urtz from Lavallee Brensinger has agreed to act as a pro bono architect to help us with the selection and construction of a facility as well as John Real from Eckmann Construction who is also working in a pro bono basis. You will notice in our budget we have for leasing \$70,000 per year but again that final number will depend on what space is taking what types of negotiations are taking place. The next slide will show you a prototype...this is just sort of rough design it is not fitted to any one of the spaces that we have looked at but it can be modified depending on where the actual location is. At this point I think Jon, who has been doing some of that research will pick it up from here.

Mr. Gross stated thank you Your Honor and Aldermen. We have been meeting on a weekly basis since February with a primary goal of creating a non-profit organization to move Manchester Community Television from a section of a school building to a downtown location that would give accessibility to everybody to give more accessible hours and to make it truly a community television station. And to do that, we need certain things. First of all, to become a non-profit we are going to need funding in excess of what is in the recommended budget from the Mayor in order to pay for basic non-profit status requirements including liability insurance for people on the Board. In addition to that, we are looking at...there are some very favorable locations downtown that at this time can be had at a reasonable dollar amount. You will see those projections are in your figures. On top of having the location itself we are looking at having possibly, if we can get the approved amount, the amount we are going to need is about \$175,000 more than what is allocated right now. That amount can be justified very easily if we go back to looking at the budget from a percentage standpoint of cable revenue. Now cable, in the past, throughout the history of MCTV there was a percentage of cable revenue that was dedicated for Manchester cable television. And if we just take...based upon the fact that the revenue has grown substantially this year...if you could look at the projections for next year's revenue growth...if we took two and a quarter or two and a half percent of cable revenue we would be at the amount needed in order to make MCTV a large downtown community effort. In addition to that, there will be all kinds of...if you look at the full program you will see there is remote capability for possibly doing a van for Civic Center events and high school events and so forth. I think it is very, very important again...I know that Grace and Mark have been working on this and they have come to this Board for years. They started by having hundreds of people come in to the two thousand

to two thousand ten Manchester Community Television event a couple of years ago and they have worked diligently to get it to this point. I am here because we are ready to become a non-profit board which will help quite a bit. There are a lot of issues when it comes to MCTV that could certainly be alleviated when the control of the television station is put before a non-profit board of community members. If you look at the members that are working on the Advisory Committee I think you will find it is a good mix of people and it is small dollars. Of all the projects that you have been “kicking” around all the time and we all watch on MCTV you will see that for the small amount of invested dollars that you can make a commitment to tonight and that you can absolutely justify based upon cable television revenue projections...two and a quarter, two and a half percent of the cable television dollars, half the dollars basically that are coming in will give us what we need. We are close to negotiating. We need your “okay” in order to be able to get the facility we are thinking about. The facility that we are thinking about is tremendous. It is walking distance from where we are right now. It can absolutely be used for extended hours and it requires this Board to come forward. This Board has said on television that you really “back” MCTV that you really “back” community based television, you think it is a good idea, you think it is good for the community. It is the only real television station for this community. With the City moving forward with the Civic Center now is the time to make MCTV larger than what it is and you have the ability to do that right now. So I will hope you will listen to the rest of the presentation and support the proposal.

Alderman Wihby asked Jon, where are you getting the additional \$175,000 from. Did I hear you say that you need an additional \$175,000 over the Mayor’s number.

Mr. Gross replied that would be the basic amount needed above what the Mayor has recommended in his budget in order to pay for the facility and the cost of liability insurance and non-profit status and the other items that are under capital equipment. I am sure if you give Grace time to go through the complete budget; she can answer the specific dollars. But the minimum amount needed will be \$175,000 and I believe that is actually the full budget which would be great if you fund the full budget is a little bit more than that.

Alderman Wihby asked so the \$618,000 is in...I am just trying to play with the numbers here and it is \$259,000 difference in the Mayor’s number. What you are just saying \$175,000...

Mr. Gross stated that would get us “off the ground”.

Alderman Thibault asked I just want to know, Grace, if this is over and above what the Mayor has recommended that you people possibly go into the Brown

School if and when we are going to renovate the Brown School. Are we talking over and above all of this stuff now or...

Dr. Sullivan replied the money that the Mayor recommended this is above that. The Mayor recommended we keep us where we are now. If I could go to the presentation I think some of...like I said I have spoken with a few Aldermen and they asked me to include that information in here so I think...

Alderman Gatsas asked Dr. Sullivan who have you spoken to.

Dr. Sullivan replied I spoke with Alderman Lopez and Alderman Pinard. I would be more than happy to speak to any of you at any time just give me a call.

Alderman Shea asked you would keep the other facility open as well.

Dr. Sullivan replied in the affirmative and stated that would be part of the School of Technology currently during the daytime the School of Technology uses that for one dedicated video production Vocational Education Program. Moving on to the 2002 goal implementing the non-profit status organization. I think this would remove the liability from the City and School. It allows for financial benefits and grants. It creates a model state of the art media production facility for the City and establishes a presence as an economic development resource. One of the things that I know that the Mayor has spoken to me about is to create programming which visitors could when they are staying in the City see all the different arts, cultural, restaurants, all the things the City has to offer. Not only would it be shown in the hotels, we could then send it to the local cable access centers throughout the State. For example, if we just sent this one tape to the Lakes Region Community Television Center that would go into 30,000 homes. So for example, if a family was coming from say Deerfield or Northwood to a hockey game that family would know which restaurants were family friendly or if a couple was coming for a date they might want to go to a different kind of restaurant. So it really is adding to the economic development of the City. Also, that we would be able to establish partnerships with non-profit organizations and hire education institutions. With UNH Manchester if you looked at our Advisory Board we are working closely with UNH Manchester and Professor Klinatic who is the Chairman of UNH Manchester Communications Department. We would be able to do things with not just one group of the School District we could open up to all the higher education institutions and non-profits. This morning I had a meeting with Child Health Services talking about establishing an MCTV media youth crew in terms of doing projects and documentaries on the impact of media on sex and violence on young people in the community. Again, some corporate donations are available to establish that MCTV media youth crew in regards to consultants and also in regards to equipment. And that would add to some of the

equipment that we were not able to get in the original cable contract. We have through this whole process tried to use pro bono work as Mark said pro bono architects, pro bono lawyers and we have been working with...if you look at this... Cherie Zankowski who is an expert in incorporation from the Wiggin Law Firm. That has been a very interesting process to go through. That paperwork is ready to go. We had our last meeting last week so we have the non-profit contract and we had the by-laws ready to go as soon as we would be able to get that from the Wiggin Law Firm.

Mr. Vandeboucoeur stated just for a point of comparison, a lot of you have seen this slide before...just comparing the growth of MCTV by looking at the number of shows that we put on every single year and as you can see the number has almost doubled in two years. 2000 was the first year that we cracked the one thousand mark and we are proud of that and we see this trend continuing to move on.

Dr. Sullivan stated going to the new facility the needs are leasing costs that Jon is going to address because he has been dealing with the folks who own the property that we are trying to lease. The utility cost and the internet and network connectivity. Again, using the pro bono architect for the design and John Riehl for the site evaluation. It has been very important for us. This is really important we spent a long time working with a couple of insurance agencies to making sure that we have insuring proper liability coverage. This is probably my biggest folder. General liability, dealing with first amendment issues, equipment and production vehicle coverage and also coverage for board members. There are people that are going to go on a board that they need coverage. Increased personnel cost...this amount represents the need to be contractual agreements for current employees. We are looking at standard MESPA or MEA yearly increases. There is a cost of living increase as of July 1<sup>st</sup> and a 3.5 MESPA achievement step increase for the employees that are in MESPA union and health insurance cost increases which are dictated by looking at our health insurance cost those figures came to us from the School District because we are still...we are going to be separate but tied to the School District for administration purposes. Fiber connectivity for the elementary, middle and high schools to cable cast live, again very important for us to be able to cable cast a year from June it would be great if we could be able to cable cast graduation ceremonies live from Gill Stadium, hockey games from JFK Coliseum, basketball games from the high schools, concerts from the middle schools. The next one would be the MCTV facility connectivity to the I-net and the cable head end. This was not covered in the cable contract and so I am looking to see that might be one time cost. It would be wonderful if AT&T stepped forward and gave that to us at no cost. We will ask them to do that but we do have that in as a cost. Additional training for non-profit board members...we have looked at the New Hampshire Non-Profit Association and there are workshops and training and also

the New Hampshire Charitable Foundation training that is put forth through non-profit board members. There is a lot of liability and though we do have professionals in telecommunications, strategic planning, business and law it would be a really good thing that we have these people trained. And School District administrative fees to carry us on their books, which would be the chargeback administration, fees. Mark is going to go through the total budget request now.

Mr. Vandeboucoeur stated this is a summarized version of the multiple page budget that you have. Of course, the salaries, overtime and benefits as were discussed before and those were all calculated based on the numbers given to us by the School District as far as the benefits and cost and the expected amounts that those would go up. The regular expenses, equipment, repair and maintenance, facility cost, that \$101,720 is part of that \$150,000-\$175,000 range that we are talking about in being able to move forward with this plan. Regular expenses which are miscellaneous. Legal...that includes \$26,099 is the figure the insurance quote that we have recently received that is an exact quote and then the other \$20,000 is set aside for general legal use. Contracted services that includes that amount for the School District in order to process our books. You have the total budget. We do have a small amount of revenue coming in in the form of membership fees and tape sales. You can see a total request of \$618,066. Just a few notes as Jon mentioned before...the projected cable revenue is about \$240,000 over what the original estimate was going to be. That is not including from what I understand upcoming rate increases. The current MCTV FY01 budget, which we are in now, is equivalent to about 1.5% of the current cable gross. If we move those projections forward in FY02 the recommended budget is equivalent to 1.7%. What we are looking for in our request would equate to about 2.9% and the City would retain 2.1%. Several aldermen asked the question and some other people just to go over what the current plan is for the \$900,000 Capital Equipment grant. Now this money is not part of our budget request but we are giving this for information purposes only.

Alderman Lopez asked could we have a clarification, Your Honor. The \$358,925 which the Mayor recommended...could you go to the budget that you are presenting here and tell me what numbers you are putting into that to come up with the \$618,000.

Mr. Vandeboucoeur asked you mean what numbers we were adding to that.

Alderman Lopez replied in the affirmative and stated because if you add the total \$318,000 it comes up to \$677,000 but I do not know what numbers you are including in the \$618,000.

Dr. Sullivan replied if you look at this budget...the FY01 actuals and FY02 requests you could see what was taken out.

Alderman Lopez stated okay, thank you I misplaced the paperwork.

Mr. Vandeboucoeur stated just for a point of reference there is a column there for FY00 we have not received those figures from the School District yet but we can make them available as soon as we get them. Getting back to the Capital Equipment again just for information purposes only this is our plan for how that money will be expended provided that we did have a new facility. We are looking at about \$100,000 for facility remodeling that number may be higher depending on what the actual estimates come out to be. Then you see a list there we are talking about phasing in a plan whereby the end of this year we would have a fully functioning facility and then any additional things such as a secondary studio production van are brought online within the following calendar year. Of course we want to reserve some money for later on in the cable contract as we get towards the end we will have some equipment that will probably need upgrading or replacing or costly repairs. That total adds up to \$900,000. We are also as a non-profit we would be eligible to pursue equipment grants for additional items. This is an example what some of those items might be. Again, these numbers are just general and we would be happy to answer any specific questions about any of these. That pretty much brings us to the end of the presentation.

Mayor Baines stated I would like to open it the Board, Alderman Pariseau.

Alderman Pariseau asked Grace, I have a question relative to MCTV going non-profit...and then you relate to the MEA yearly increases...would you not sever yourself from that...

Dr. Sullivan replied in the negative and stated because in terms of health benefits, our own retirement plan, when we started down this road last year it was that we would not be losing our retirement or our health benefits and so that we would be staying tied to the School District and also that was something important that there was a traditional connection with the School District. In terms if you were to take and make us totally non-profit six employees then we would have to do the health insurance numbers totally different.

Alderman Pariseau asked come back on the City side.

Dr. Sullivan replied in the negative and stated I think that the prototype...the model has always been as New Hampshire Public Television is to the University System. The employees of New Hampshire Public Television are employees of the University System and therefore in terms of providing educational

experiences. So for example, the project that we were talking about today at MCTV media youth crew for honors level students as a certified educator those students develop in curriculum. They could in the future receive credits and therefore I could be still maintained to be part of the educational structure for those students.

Alderman Pariseau asked if this was to happen, and we insisted that MCTV become an independent entity of the City and your employment would terminate with the School District.

Dr. Sullivan replied we went through this last year, Alderman.

Alderman Pariseau stated I do not remember discussing this last year.

Mr. Vandeboucoeur replied essentially what the plan is to...for the non-profit organization to contract with the School District to provide the benefits and get the rates for the benefits that the School District currently receives and all of our financial transactions would be processed through the School District as they currently are.

Alderman Pariseau asked why would we want to stay with the School District.

Dr. Sullivan replied we are also providing services for the School District. MCTV has traditionally provided services for the School District and for the City government and for the public. Public education and government access television, Alderman.

Alderman Cashin asked my understanding is that in a meeting that we had that Grace was told that she would not loose any of her benefits and I was at that meeting and I have no problem with that.

Dr. Sullivan replied thank you, Alderman.

Alderman Pariseau asked another one of these "secret" meetings.

Alderman Cashin replied it was not a "secret" meeting, Bob, this is foolishness. Why would you expect anyone...

Alderman Pariseau stated I am not expecting anybody to do anything.

Alderman Cashin stated the commitment was made, I was there and as far as I know a lot of members of this Board was aware of the same thing so I do not think it is any surprise to anyone or should not be.



Alderman Wihby asked if you look at that new sheet that you passed out to us Fiscal Year 2001 estimated total...it says 288...should I understand it to mean that you are turning back \$37,000 from this year.

Mr. Vandeboucoeur replied we have some...the printout was given to us by the School District I believe on May 11<sup>th</sup> and at that time we asked them to encumber all the salaries through the end of the year. At that time, we still had a few purchase orders that were outstanding or are still outstanding...the main reason for the difference in that number is because with the three additional employees that we hired last year we began the process (the advertising and the interviewing process) at the end of July of last year. But those employees were not hired...did not actually start on the payroll until October.

Dr. Sullivan stated two in October and one in November.

Alderman Wihby asked the miscellaneous number above what is that for this year \$52,000.

Mr. Vandeboucoeur stated again that is based on how the School District printed out their estimates. So in that miscellaneous number are items such as general purchases. There is a separate line item there for advertising, which we did not have in our budget. Again, depending on where the purchase orders went they...I am guessing...just plugged in numbers into certain categories. Most of the purchases were put into a miscellaneous category.

Dr. Sullivan stated so you know software tapes, which are not considered hardware.

Alderman Wihby asked so why is it going up so much...what is the big increase this year that you are asking for.

Dr. Sullivan replied when you look at our miscellaneous if you look under...

Mr. Vandeboucoeur replied there are some one-time cost in there the fiber connectivity, the cost of equipment repair we have budgeted more because if we are talking about a new facility with more equipment...

Alderman Wihby asked if you move some of that miscellaneous is in there.

Mr. Vandeboucoeur replied in the affirmative.

Alderman Wihby asked the revenues that you are talking about are in higher than last year...what number did the Mayor use in his budget, do you know.

Mr. Vandeboucoeur replied originally, I believe it was \$800,000.

Alderman Wihby asked in this year's budget...you are projecting a million forty.

Mayor Baines stated but we have since gone back and verified the figures.

Mr. Robinson stated the City Clerk gave us the numbers.

Alderman Wihby asked what number was it.

Mr. Robinson replied \$800,000.

Alderman Wihby asked so in the budget that we are looking at now there is only \$800,000 and the number should be a million forty, is that right.

Mayor Baines stated just so you know, Alderman, about three weeks ago I asked Wayne to go through those figures to verify them and then we could verify those figures.

Mr. Robinson replied actually when the City Clerk did their presentation they mentioned that the cable fee revenues would be increasing.

Alderman Wihby asked that was the number he was talking about when he had talked about the increase. And payroll for the School Department...I thought I saw something in the School budget this year that had names of people in MCTV in their budget. Do you know if that is true that they were paying you out of their budget.

Dr. Sullivan replied in the negative and stated I did not think we are in their budget. If we are in their budget it is that our things go through there. This year our funds come from here.

Alderman Wihby asked it is either this year's budget or next year's budget they had Mark's name was in it.

Dr. Sullivan replied I really have not seen that.

Mr. Vandeboucoeur asked was there a dollar amount attached next to it.

Alderman Wihby stated but it should not be in their book it should come out of this.

Mr. Clougherty stated I think Alderman Wihby is right. They did a printout of all the people they are paying. These people being paid out of the School payroll so they are probably included in that printout that you saw detailing their budget. What happens then is they request the City to pay them back out of the appropriation and the Mayor reviews and I think that they are showing up in both places.

Mayor Baines stated they show revenue coming back in to...

Alderman Wihby asked is that double-accounting, Kevin.

Mr. Clougherty replied I would have to go back and check. If it appears in both that has to be corrected.

Alderman Levasseur asked did you figure on \$10 per square foot on your layout is that where you come up with the facility cost.

Mr. Vandeboucoeur replied we figured on \$7 which was an estimate based on the fact that we were looking at approximately ten thousand.

Alderman Levasseur asked 10,403 is what that comes out to is that pretty much what you figured on. It is measuring the 106 times 101. You have 10,403 square feet and then you were...so you estimated \$7 per square foot and then that would leave you the amount left over for electricity and such. Is that how you figured out that number.

Mr. Vandeboucoeur replied in the affirmative.

Alderman Levasseur asked as far as MCTV is being used right now by the regular public after 2:15 and then prior to 2:15 what time do the schools get to use it...from 8:00 to 2:00.

Mr. Vandeboucoeur replied 8:00 AM to 2:15 PM Monday through Friday.

Alderman Levasseur asked so how much production time do you think they are using with that. I know I have seen a couple of the shows on and they seem to be using a little bit more lately. Do you know how often they are using the studio.

Dr. Sullivan replied it is varied to be honest with you. There is a new teacher and they are looking to a new direction. At one time the majority of programming

came out of educational access. When I was the director plus the teacher I would see that there is going to be an increase in educational programming.

Alderman Levasseur stated there seems to be a lot more students doing shows. That is a vocational technical school where people go there for specific learning...cars and automotive and such. If you were to take MCTV out of that school and bring it to downtown how would that effect those students. They were have to be bussed over to another location.

Dr. Sullivan replied in the negative and stated that whole facility is staying there. In fact, with the money that was left over from the original \$250,000 we have saved about \$50,000 and we have been putting in over the past few years re-doing that facility. That facility will stay there for the vocational education program.

Alderman Levasseur asked so the rooms the way they are all the equipment would stay there and then...so where would you get the money out of the capital money that we got from AT&T would go to re-design and do all the new equipment.

Dr. Sullivan replied in the affirmative.

Alderman Levasseur asked so how much of that money were you thinking of using out of the one million dollars that was...you have two years I believe to use that capital money.

Dr. Sullivan asked out of the \$900,000...I do not think we have...do we have a time limit.

Alderman Levasseur replied I do not know I thought you had to use it within two years.

Dr. Sullivan asked is that in the contract I am not sure. I am going to defer to you, Alderman Gatsas, on that but I am not going to say that I am 99% sure.

Alderman Gatsas stated it is over the lifetime of the ten years that can be spent.

Alderman Levasseur asked so they could use it after ten years but you do not know what the cost of that new design and this whole design is going to be. If you got 10,000 square feet I am sure you know how much your equipment and you are probably going to upgrade...

Mr. Vandeboucoeur stated that goes back to the slide that we had...

Alderman Levasseur asked what was the cost of all of that. I am sure that has to come out of that million dollars.

Mr. Vandeboucoeur asked the \$900,000.

Alderman Levasseur replied in the affirmative.

Mr. Vandeboucoeur replied all of the facility upgrade and all the new equipment will come from the Capital Equipment. That would not come from...

Alderman Levasseur asked so out of the \$900,000 that you have ten years to spend would be used right away in that new spot.

Mr. Vandeboucoeur replied not right away.

Dr. Sullivan replied not the entire \$900,000 right away, no. We are going to use that money to leverage...like I said this morning I was at a meeting for some of the things that we want to get beyond that.

Alderman Levasseur asked and who would be responsible for making sure that the MCTV location was going to be...when things fall apart and such...would the School be responsible for that or would then you guys be responsible for it also.

Dr. Sullivan replied the original location hopefully we will be able to provide that too. We do that now.

Mr. Vandeboucoeur replied we would be able to provide technical assistance to the School of Technology as well as any of the other schools just as we do now. Occasionally we will get a call from one of the high schools...each high school has a small amount of video production equipment that they have their own budget for repairing or buying equipment but if they have a technical...

Dr. Sullivan stated we spend a lot of time too at some of the elementary schools Weston, Gossler.

Alderman Levasseur asked if you were to stay where you are now and be able to take the million dollars that you have been appropriated, you would then be able to do all the things that we were hoping you were going to do...put a line to Gill Stadium, get yourself a van, and then upgrade and update the material that you have in there. Is that the alternative plan that you had in mind if you were not to get another 10,000 square feet location.

Dr. Sullivan replied we would not be able to do the kinds of things...I will give you a specific example...a senior citizen asked if they could do an internship and learn how to do programming and the senior citizen during the daytime we would have no place to put this senior citizen and they cannot come at night in terms of driving. So the partnerships with UNH Manchester it is just not going to happen.

Alderman Levasseur asked but last year you told us when you got that money you would be getting a van so that you could go to locations. You did not get that van yet.

Dr. Sullivan replied we have not gotten it because we did not want to touch the \$900,000 until we had the new operation structure in place and that the Board would be...we could set forth these are our needs and then have the Board vote on the appropriateness of that. That is why we have strategic planners and telecommunications people on that board.

Alderman Levasseur asked Mayor, do you plan on moving them to another location or are we going to...if we keep them in that location then we could go forward with all these other ideas that I believe last year we talked about dropping lines into different locations to be able to do live broadcast and such. I do not know if we had an idea to do a live broadcast out of Civic Center. I know we did at Gill Stadium and I thought we were going to be getting a van to go from...to do live broadcast over at the new facility over at West High field. I kind of thought that was where we were going to go with that capital money but I guess you are changing the plan.

Dr. Sullivan replied in the negative and stated if we go back to the 2010 plan it is still the same plan.

Mr. Gross stated I think the thought process is that MCTV is in evolutionary phase right now. And for it to get to the projections...and everything you are saying makes a lot of sense and it is all the things we all want. Grace has been very frugal and very careful not to take that \$900,000 and spend it. She could have done that and maybe she should have done that. Some of the department people might have. I think her goal is...she has really thought out to 2010 the first stage is to become a non-profit so that a board of people besides the people that are actually operating MCTV will have input on what is purchased or where the priorities are done and how it is developed. The concept of having a downtown location makes MCTV more of what it should be which is a community television station. If you look at other cities that have really developed them this is the step and it could be done...it is not like it is new money coming from nowhere...this could be done with just a small amount of additional funds. You will get what you are envisioning and much closer to all of you.

Alderman Levasseur asked but my question is that if we move to a 10,000 square foot facility the \$900,000 is eaten up right away just getting that place updated...it is brand new everything and that does not include any of the other stuff that we were talking about last year. That is pretty much what I am worried about.

Dr. Sullivan replied in the negative and stated the production van is in there, the secondary studio...I just need the specific things that you would be concerned about.

Mayor Baines stated you are only talking about \$100,000 for remodeling am I correct.

Dr. Sullivan replied in the affirmative.

Alderman Levasseur asked so you are still going to have money left over for the other items that we were talking about last year.

Dr. Sullivan replied in the affirmative.

Alderman Lopez asked I can see some of the confusion and that is the reason I asked Grace Sullivan because whether or not they are going to go non-profit makes a big difference and I do not think that decision is made yet. Although I do think that is a good move on their part. But I am looking at this sheet the facility cost \$86,720 and then I look at the 2(b) it tells me the facility cost is \$101,720 could you explain that to me so I can understand it. There is a difference from \$101,720 to \$86,720 in facility cost is that a down number from that.

Mr. Vandeboucoeur replied in our facility cost we have \$12,000 for telephone and Internet, which are listed separately on the actuals sheet. Telephone is its own line item and actually that number is at \$3,000...a computer communication is where the other \$12,000...and that is the \$15,000 difference.

Alderman Lopez asked now in the \$125,000 I think you already answered this question is the \$50,000 included in the fiber connectivity. Is that included in the...

Dr. Sullivan replied in the affirmative.

Alderman Lopez asked and all the other...\$75,000 miscellaneous covers what.

Dr. Sullivan replied you have videotape stock, equipment repair and maintenance agreements, office supplies, photo leasing under section 2(a) under miscellaneous and contracted services, closed captioning services.

Alderman Lopez asked this \$618,066 is based on non-profit.

Dr. Sullivan replied in the affirmative and stated that is based on a separate but tied to a non-profit status.

Alderman Lopez asked otherwise the figure would be \$358,925 if you stay at MCTV. Could you bring us up-to-date...I know you mentioned a non-profit but there is a time element here have you calculated any time element for the Aldermen.

Dr. Sullivan replied what we would like to do is we have the by laws completed and I have met with the transition board and last week was my final meeting with Cherie Zankowski the incorporation attorney from Wiggin and Noury that Amy Eckmann has been so kind to bring on board and it is completed and that is something about dealing with somebody who is working for you pro bono it is completed and we needed just to go through it again last week and then we will have that ready. We need to bring it first to the coordination of the School Board because we are in the School District right now. Coordination needs to look at it and the School Board needs to look at it and also then we bring it to the Aldermen because MCTV has been a joint venture of school and the aldermen. I think it would be great if it is one thing that we could bring this forth and perhaps at a joint meeting with people from the school and the aldermen on it. But that is up to you folks. I first have to bring it to the School District to the Coordination Committee.

Alderman Lopez asked you have to do it all by the 7<sup>th</sup> in order to have a resolution.

Dr. Sullivan replied we always have time lines when working with cable issues. This has been a big process that we have gone through and again working with a lot of pro bono people and hundreds of hours of advice and consultation with people throughout the City.

Alderman Lopez asked Mayor, could you add anything to this because I think it is very important that if we are going to look at and approve in the budget \$358,000 versus \$618,000 without any complete answer here how could we do this.

Mayor Baines replied again our feeling is that we did not put any of the money in our budget because nothing was finalized in terms of what the situation would be for them.

Alderman Hirschmann asked what does that mean...do you want it to happen.



Mayor Baines replied that was always the plan. When we talked about it last year the only thing we did not fund in the budget last year was the space because that was an uncertainty and when we dealt with it during our phase of the budget process it was a concept that was out there and we made it very clear that we were not going to fund space unless there was suitable space available and then there would be a chance during this phase of the budget process. But I think that has always been the vision for MCTV that it was going to move out of its existing location at the School of Technology simply because there is no more room there for it to expand and to offer the types of programs and services that we want. So we would be supportive of a relocation of that phase of community television if we could identify the resources to do that. That was always part of the long-range plan.

Alderman Lopez asked maybe as time goes on here maybe this Board should take some type of affirmative vote that we support the non-profit status and move forward with it or we do not and they are going to stay there another year so we could get this budget process going.

Mayor Baines stated I would hope that we would not interrupt the non-profit status. That is something that we have been working on for almost six or seven months now and it is ready to be finalized. So I would hope that would move forward. The Board would have to vote additional amount of money if in fact the relocation were to take place. So that is what you are going to vote on either to add that money or not add that money for relocation.

Alderman Lopez stated but I understand once we approve the budget could we do this after we approve the budget and add the rest of the money for the non-profit.

Mayor Baines replied it has to be part of the appropriation from my understanding. A non-profit does not have anything to do with it.

Mr. Clougherty stated the School appropriation where these would be included is a separate resolution and you would have to open up that whole resolution and go through a full budget proceeding if it is determined that there is additional revenue for that purpose.

Alderman Lopez asked if we determine that there is additional revenue but if we as a Board indicated and put the money in there and set it aside until it becomes a non-profit we could do that.

Alderman Shea asked usually when something like if your proposal takes place we got indication of what it costs the first year but we really do not know what it

might cost the second year, the third year, etc. so could you give me a little bit of a ballpark figure on that.

Mr. Gross replied we would certainly be happy with having money committed to this subject to the non-profit status and all the other things we are proposing. Again, it is very difficult because we are negotiating right now and in the courses of a form so we are now negotiating with the people that we are negotiating with. We are looking at a long-term lease that will take us through the end of the cable contract so it ties in with the covering contract conditions and what it does is it is at a very, very stable rate. So as far as facility cost go, we can come to this Board with a pretty good guarantee that there are no large surprises of any major dollars. If we had to disclose the dollar amounts here and now I guess we could but we do not have authority yet to enter into negotiation to enter to file negotiation. We have preliminary numbers and they are ones that I would be happy to discuss with you.

Alderman Shea asked the second part of that is the number of new employees that will be needed to be added do you have a ballpark figure, Mark.

Mr. Vandeboucoeur replied originally in the budget we presented to the Mayor we had added three positions to bring it into a total of nine and that number was based on the original MCTV 2010 plan. But in light of the Mayor's recommended budget we felt it was important to put emphasis on what we needed to establish a new facility and to move forward with a non-profit status. So currently the six employees that we have should...because one of the things that we are talking about doing in partnerships is being able to get some free help if you will in the form of internships from the local colleges.

Dr. Sullivan stated from UNH Manchester expansion their communications department and also with the creation of an MCTV media youth crew.

Alderman Shea stated we are trying to build up the downtown and I am sure that there will be certain types of programs or types of projects that would stimulate that kind of an effect I am assuming.

Alderman Vaillancourt asked let us just be clear that these cost increases are not just for the new facility. On the sheet miscellaneous that includes contracted services on the other sheet. Because I am interested in contracted services...I noticed you plan on paying \$7,800 to hire two part-time sports announcers. Are we looking at Charlie Sherman or who are we looking at here and why are we hiring part-time sports announcers when we do not hire anybody else.

Dr. Sullivan replied because sometimes we have a hard time getting announcers to be honest with you for some of the games. We put that in as good a job as Alderman Hirschmann does we cannot get him for every game. I will also tell you that we are also having...COOL is having a contest on where people are calling up next week to see whether they are good sports announcers so we could get some good sports announcers.

Mayor Baines stated it would seem to me that especially with the interest in broadcasting that would be an ideal source of high school and college young people to do those sorts of things. If we really made a concerted effort to go out to be on the air and develop a talent.

Dr. Sullivan stated we used to have students do that and that is one of the problems with the separation of MST video away from MCTV.

Mayor Baines stated but I am just talking about the college community. When you think how huge the college community here is the Manchester area that are probably not even aware of MCTV that if they became aware of it and we put a concerted effort into recruiting people I think we could take care of that and not spend \$7,000.

Dr. Sullivan stated again we are going to be recruiting on COOL next week for baseball announcers.

Alderman Vaillancourt stated Your Honor; I broadcast literally hundreds of not upwards of a thousand sports events in college and never was paid a penny nor ever asked for a penny so I think that is a strange request. Let us look at item 2c regular expenses...I noticed you have scheduled \$12,000 for travel conferencing for your employees...how much did you spend in that account this year.

Dr. Sullivan replied we have lots of money left in that account I know that...in terms of the actuals.

Mr. Vandeboucoeur replied to be honest with you that number is left over from when we had originally asked for three additional staff so that number would actually be considerably lower without the new staff.

Alderman Vaillancourt asked so the \$12,000 is not an accurate figure.

Mr. Vandeboucoeur replied it would probably be somewhere in the \$6,000-\$7,000 range.

Dr. Sullivan replied we could look at that figure. We do spend a lot of time on training. I did not do any training this year that cost any money but I know that Jason is going to be doing a documentary training. There is going to be a lot of training involved with digital and Mark even involved with PC workshops. Two of us are going to be hopefully going to Washington to look at beelines for community media and just some of the big issues on controversial programming and have that impacts access.

Alderman Vaillancourt asked we are trying to put a budget here and now you are telling us that the amount you needed is only half as much as what you are asking for in this line and I am not sure if that is the kind of response we are interested in. Going to closed captioned services, if we delay closed captioned services...

Dr. Sullivan replied I am sorry we made a mistake that \$12,000 we budget in \$2,000 per employee especially for technical training. Sometimes we do not spend that much money.

Alderman Vaillancourt asked the \$19,200 for closed-captioned services that is an actual cost or is that another estimate.

Mr. Vandeboucoeur replied that is based on a service cost there is no machine that you can just plug the sound into and have it come out. What happens is we actually contract to a service where we send them via telephone line an audio feed they have somebody who actually types in the information and it gets sent back and that service is about \$200 an hour. So we figured based on the number of...that number is just the amount to cover the Board of Mayor and Aldermen meetings and that was based on \$200 per hour times so many hours per month.

Alderman Vaillancourt asked have you ever tried to get that on a public service basis such as when we see closed captioned provided by...in public television, so there is no cost for that.

Dr. Sullivan replied we are not a non-profit in terms of foundation aid. So we have talked to people about it but no we have not been able to get that.

Mayor Baines stated but that is the type of thing once you become a non-profit there would be significant opportunities to do that. That is actually an excellent suggestion.

Alderman Vaillancourt asked so we would not need that \$19,200 either, perhaps.

Mayor Baines replied ideally they are requesting it but that could be something we might decide as a Board to delay and see how the non-profit status...

Mr. Gross stated Alderman, if a corporation stepped forward and wanted to finance the whole thing that would be great. The problem with some of your thought process on what is needed like now is that you are all making assumptions that unfortunately if you are going to run a professional community television it is a chancy thing to do. I remember before we had the automated cameras in here which was an investment that some aldermanic meetings were not broadcast because the volunteer did not show up.

Alderman Vaillancourt asked so you are telling me that the two part-time sports announcers are absolutely essential as well.

Mr. Gross replied you could get volunteers for everything that you are saying but if you want to be assured that a Central/Memorial game is broadcast, for example, the incentive of a small amount of pay changes the obligation of the person rather than just someone volunteering.

Alderman Vaillancourt asked the question is why we prioritize sports events as opposed to some other event.

Mr. Gross replied we would be open to anything. If this is going to be a nicely done...this is going to be a non-profit organization that you would be happy to come forward to in fact you would be able to come downtown to a facility and propose whatever it is.

Mayor Baines stated I understand that part of the budget process is for you to come in and advocate for what you think you need in terms of your priorities and obviously I establish priorities under my budget, the Aldermen can now establish some different priorities that is the way it works.

Alderman Vaillancourt stated your priorities, Your Honor, were none of these things here.

Mayor Baines stated that is correct because of the budget that I presented.

Alderman Vaillancourt asked about Alderman Wihby's comments about the School Board if in fact there is still a tie with the School Board all of these should not be reverse chargebacks to the City. The School Board should be absorbing "x" percentage of this budget. Is that not true.

Mayor Baines replied if you recall what we went through last year that is why it ended up being a reverse chargeback to give us a transition year to deal with this issue. That was the agreement of the Board at that time to do it this way.

Alderman Vaillancourt stated I guess they are going to remain a part of the School District. The School District should represent a certain percentage of their overhead. The director's salary "x" percent of that should be absorbed by the School Board instead of by the City then. I think we need to find that percentage.

Alderman Gatsas asked this is probably the only department...are they are a department.

Alderman Hirschmann asked was there a vote of the Board, Your Honor.

Mayor Baines replied again I would have to go back...it seems like so long ago.

Alderman Hirschmann stated I want to find that vote because I remember Alderman Wihby coming up with this.

Dr. Sullivan stated we are not a department.

Alderman Gatsas asked did they make a presentation to you, Your Honor.

Mayor Baines replied in the affirmative.

Alderman Gatsas asked then why are they the only non-department that does not have a budget request in this budget folder. I am saying that the department's request is not in here. I have not missed anything, I am saying that it is empty. Is there a particular reason why.

Mayor Baines replied in the negative and stated there should be. It just was an oversight that is all.

Mr. Vandeboucoeur stated we met with Wayne Robinson prior to presenting the budget to the Mayor and met with him again last week and his response was that since we are not a department we essentially can present our paperwork and our budget as we wanted to. We did not have to...

Alderman Gatsas stated I had the pleasure of watching your presentation at the School Board so we will touch on that in a second. I feel that it is imperative that everybody see that you were budgeted \$325,000 last year. You are in the process of turning back \$37,000 and you are looking for a 90% increase in your budget for 02. I think that we need to stop talking about percentages of the cable contract because as we all agree that we had the conception of a 503 we also have the knowledge that we were not talking about percentages of any revenues coming in. That you would be coming to this Board for full allocation of your budget as

everybody else has. Do we agree with that or not. Is that the understanding we had in that secret closed door meeting that people want to talk about. Maybe you could help me with this.

Dr. Sullivan replied if you want to refresh my memory I am going to go back to the 2010 plan that it would be separate but tied to...

Mayor Baines stated I think the question is it was the understanding as I recall that you would be coming in for an appropriation...that is what he is asking.

Dr. Sullivan replied in the affirmative.

Mayor Baines asked so we all agree on that.

Alderman Gatsas stated not based on any percentages...not based on anything else. When you were a participant in the negotiations of the very first contract did you have an agreement with at the time...it is one of the cable companies I am not sure which...to make sure that all the schools at that time would be hooked up.

Dr. Sullivan replied United Cable Company...no, not every school.

Alderman Gatsas stated there were twelve schools that this contract had to pick up because the people of the last contract that negotiated it never had the hookups put in, is that correct. Maybe you could help me City Solicitor.

Mayor Baines replied Tom you could answer that.

Dr. Sullivan stated in the original cable contract not all the schools were put in that contract.

Alderman Gatsas stated I believe you told the School Board that we did not do it and we had to do it this time.

Dr. Sullivan replied I had advocated back in 1990 that all the schools be hooked up at that time.

Alderman Gatsas asked were they all hooked up under your guys.

Dr. Sullivan replied in the negative.

Alderman Gatsas asked any particular reason why.

Dr. Sullivan replied I think if you look back in the record and if City Solicitor Tom Clark was in charge of those negotiations at the time would agree with me that not all the schools were included in the contract. I can remember Joe Millimet who was representing United Cable Company at that time, we listed the schools. In fact, I can remember Alderman Wihby kind of being upset that Webster School was not on it so they put Webster. The outlining schools were not put on them.

Mayor Baines stated the point is that not all of them were hooked up and it had to be picked up under the new contract. I think that is Alderman Gatsas' point.

Dr. Sullivan stated Alderman, the rest of the schools connected on the fiber network on the new contract.

Alderman Gatsas stated no they are not because it was less expensive for this City to look at a different venue than to go through that one because the amount of money that they wanted to charge us...

Dr. Sullivan stated I understand your question now...they were saying was every school hooked up and given free cable under the current cable contract and McLaughlin has not been. That is what I had said.

Alderman Gatsas stated I believe that if you want I could clearly get the tape. I clearly have the thought in my mind from watching it.

Dr. Sullivan stated but it was the McLaughlin the three hundred feet from the pole. I am pretty sure about that.

Mr. Gross stated Alderman, I am the one who brought up percentages and I did it as purely an illustration of dollar commitment as a percentage of revenue. Just like the 90% is a big number relative to last year the question really is do we want Manchester Community Television to become a non-profit and to expand and provide the kind of services that we believe the downtown area is certainly going to need the new Civic Center...

Alderman Gatsas stated but let us continue with the Capital Equipment cost because let us not give the wrong idea that we are talking about \$900,000 over a ten-year period because we spent \$825,000 of the \$900,000 in the first two years. \$75,000 is carried for reserve for replacement of older equipment. I turn to the next page and say where are we finding the \$400,000 for eighteen...and have other departments out there doing the same thing. So I have talked about consolidation this is certainly one proven point that we need to consolidate find one building to put departments in. Because that is exactly where I was in other discussions. That is where I will continue to go so until we find one place to put



all the agencies and departments that need to go I think you need to make the best with what you have over where you are at.

Alderman Levasseur asked I think that was where I was going with my question...that \$900,000 is all going to be spent in the next two years getting all of these things together at your new facility. Then over the next eight years there is not going to be any capital money left. You are going to have to come back to us again and ask us for more capital money. Now my question really does go towards this non-profit status...if you become non-profit right now you are under...they have to come to this Board for appropriation...if you were a non-profit they would still come to this Board for appropriation but then we are actually funding a non-profit which I do not know how many times do we actually fund non-profits in the City, Mayor. That is under the CIP budget though. Would that also be coming under the CIP or under our budget. I do not know if you really like the idea of becoming a non-profit because then you are at the "whim"...you are not part of the City anymore, you are separate.

Dr. Sullivan stated I think if you were to look at the prototypes again and please look at the research in the Alliance for Community Media website...that the majority of peg access facilities in the United States are in this non-profit structure. I think the other thing is and the only thing is we have to go back to the history from 1990 to 2000. The original Capital Equipment grant was \$250,000. We spent less than the original...under \$200,000 in the first couple of years to build up the structure. Then we saved \$50,000. We could look at those numbers and we appreciate your input and I would love to be able to sit down and talk to you about where you think we should be saving the money that would be great.

Alderman Levasseur stated once you become a non-profit...right now because you are located in the school you are part of the school you come under that auspice in other words they are not going to want to get rid of that because it was built with the idea of having not only the community use the system but also the schools, the children that go to that school learn how to become operators and developers and some of the stuff that I have seen some of these kids put out is amazing some of the stuff they have been doing with their camera work. I think that was the original intent. Now if you go off on your own and become a pure non-profit you then become part of the "whim" and in five years from now they may not want to fund you. You say you are going to go out and collect non-profit money now and get money from other places. Of the 98% of the people that are non-profit are they given a certain amount of money by the City and that amount stays the same all the time because if you look at the CIP budget basically what we give to the non-profits is pretty much a standard amount that the Mayor says okay we are going to fully fund you for this year and so forth and they count on that money...are you going to be able to take the chance that you are going to count on

getting...we are not going to go up on you guys every year. Now once you become a non-profit you are separate from the School Department and the City and now you say you need another \$150,000 for capital money because you used up your \$900,000 in the first two years and five years from now you are going to need some more money. You are going to have to come begging to this Board and you are not going to get it. If you look at what you have now for the location and you look at how much money you have to invest in getting updated stuff I think that the best business decision for you guys is to stay put where you are and use your money to get better equipment to update yourself to get some of those things on the list that you already came to us last year for. That is just my input.

Mr. Vandeboucoeur stated as far as coming back to the Board for money we would never come back to the Board for Capital Equipment money. Again, that is part of why we would want to look to investigate grants for things such as that. As far as putting equipment into the current facility, you know as well as anyone that current facility is pretty crowded and even more so during the day when there are students there. There is really not a whole lot of room. We have utilized the room that is there as best we can by putting the cubicles in the back part of the classroom. There is really nowhere else to go. There is not enough room realistically to put \$900,000 worth of equipment.

Alderman Levasseur stated you just made a statement that if you become non-profit you are never going to come back to this Board for capital money and you are...assuming with your \$900,000 investment in these next two years that over the next eight years all your equipment is going to come out and stay in good shape. I mean you are going to want to grow and you are going to want to do more investments and you are going to be coming to this Board for that money so I would be very careful to make that statement.

Dr. Sullivan stated I think the point taken is very valid and I think we need to look at that timetable both you and Alderman Gatsas really have some very good ideas in terms that we need to sit there and maybe look at where to extend the time line a little bit better. And being businessmen I really do appreciate your advice, Alderman, and I look forward to both of you...I know you both have a lot else on your agenda to sit down and talk to us about this. I would be very valuable advice just as the advice of the people that we have on our Advisory Board. I would love to be able to have you come in and just talk about that stuff to us.

Alderman Vaillancourt stated I think that last year when we were talking about the contract and there were two different schools that have thought about this percentage business and Alderman Gatsas led the argument and I tried to listen to both sides that we should give you a set percentage but rather we should give you what you need. It seems to me that this exorbitant increase by AT&T and their

cable charges \$5.00 to \$6.00 for the average user for myself from \$30.00 to \$36.00 a month just puts the punctuation mark on that line of reasoning. That this is going to bring an extra \$200,000 in. If you had everything that you could possibly need before and then this extra \$200,000 came in because of AT&T this would be like from heaven. It would be like money we would not give for the Police Department, the Fire Department, the teacher's department or any other department. In lieu of this latest lightening bolt from AT&T how could you justify asking for that kind of percentage any more.

Dr. Sullivan replied I will tell you that watching MCTV myself when I am watching at home...looking and listening to Voices and Choices in the neighborhood aldermanic meetings one of the biggest problems that people have is communications in the City. How we communicate among and between eachother. We work with the Police Department to get information out. We work with the Health Department to get information out. I think that, truly, as a technologist when I get to the real core of what my professionalism is about is that I truly believe the City that I grew up in and the City that I love if they have a strong communications entity that it will be the foundation for a strong economic growth and prosperity and also join together with strong educational opportunities for people. That is as honest as I am going to get with you. That I think it is a small amount of money and investment that comes from cable money that can be used to communicate and grow the City and to make the City better.

Alderman Vaillancourt stated but my question was more about the percentage increase with this exorbitant increase that AT&T has charged the people this would be a windfall of \$200,000 that you might not have needed. Do you not acknowledge that or do you choose not to acknowledge that.

Mr. Gross replied the need is there luckily the funding might be there. In other words, the justification for the funding may be there because of that. But the need was there and whether you work from a percentage basis or whether you work from a need basis you said the argument was whether a percentage was a right way to look at how to fund it or a need basis. Either way this is need and it is justifiable by percentage. I used the percentage only as an illustration. I understand you very much aware of the fact that the percentage is not the way it is looking anymore. I used it as an illustration and it is certainly a justification.

Alderman Vaillancourt asked so if AT&T were to double the charge that they inflict upon all of us you could still find a need to spend double the amount.

Mr. Gross replied in the negative and stated because we are not asking for 100% of the increase. We are not asking for even a percentage of the increase. It is not tied to percentage, per say; the percentage is used as an illustration for the gross

dollar amounts that are needed. It is a justification for the gross dollar amounts that are needed. These gross dollar amounts are not being asked for to add frivolous things. This will become a non-profit and to allow for a downtown presence, this will have actual tangible results for small dollars.

Alderman Wihby asked Jon; you could still do a non-profit without moving is that true.

Mr. Gross replied in the affirmative.

Alderman Wihby stated you are making it sound like this money is allowed to make it a non-profit but it would still be a non-profit without moving.

Mr. Gross stated the people that are getting involved in the non-profit are doing it because they want to see a vision of Manchester Community Television...

Alderman Wihby stated but the fact of the matter is you could be a non-profit without getting any additional money.

Dr. Sullivan replied in the negative and stated that is not true. We need money for insurance liability and legal fees.

Alderman Wihby asked does MCTV do anything for the School Department.

Dr. Sullivan replied in the affirmative.

Alderman Wihby asked how much work do you do for the School Department.

Dr. Sullivan replied I could get the information for you in terms of the percentage of programming.

Alderman Wihby asked like what.

Dr. Sullivan replied types of things...tonight somebody is over covering C&I...

Alderman Wihby asked besides meetings...during the day for the school itself.

Mr. Vandeboucoeur replied there is twenty-first century classroom, which a half-hour technology program that is something that our educational access coordinator is working with the School District on. Sometimes it involves students and sometimes it does not.

Alderman Wihby asked so if you had to put a dollar amount on that how much is that.

Dr. Sullivan replied I would have to really look at...I am really not sure, Alderman. Because it is like putting a dollar amount on what we do for City government.

Alderman Wihby stated they put a dollar amount of chargebacks of \$61,000. I guess I did not envision you being a City department and paying administrative cost to the School. I figured that was your money and you were going to get that money and use it for MCTV not to pay some charge for them to charge you.

Dr. Sullivan replied we are not a City department.

Alderman Wihby stated when we made the budget up if you are not a City department and the money for your department was in the budget though, on the City side in the General Fund. If the money is in the City side I did not envision them charging you any money to do all your administrative duties.

Dr. Sullivan replied they do not now.

Alderman Wihby stated I thought you said you had \$60,000 that you paid them administrative fees.

Dr. Sullivan replied that would be for the 2002 if we become a non-profit to run our books through them.

Alderman Wihby asked so now they are not.

Dr. Sullivan replied they do not charge us this year. They do our paperwork and our books, our accounting for us.

Alderman Wihby asked they are taking any of the \$325,000 that you have this year they are not...

Dr. Sullivan replied in the negative.

Mr. Clougherty stated that is true that are not charging them. But once they change their status then the School Administration said because they are independent they have to have their own insurance and they would charge them administrative fees.

Alderman Hirschmann asked in 1846 the City of Manchester became a not for profit corporation as far as I know. To this day, we are not a for profit corporation and neither is the School District. It sounds to me like you are getting a deal getting your administration and your books done by the School District and I do not see where you would want to have the best of both worlds and use their insurance plan and have your accounting done...why in the world would you ever want to leave the School District. It does not make sense. That is an observation.

Dr. Sullivan replied that was a conversation last year to be honest with you. This conversation did not take place last year. We were told that we needed to go get our funding our 1% had carried us through up through the cable contract and my salary was paid for by School. School said you need to go get a bigger percentage of the gross to cover all the expenses. So when we came here, Alderman Gatsas' committee decided they were going to set a fee. Then we are looking back to the past...

Alderman Hirschmann asked so you do not really want to leave the School District do you.

Dr. Sullivan replied in the negative and stated I am not saying that. I do not want to seem frivolous to be honest with you, however, I think going back to that meeting of last year that to be told that I was going to loose my retirement...we were just going to be taken over somehow that we really did not know what was happening. That we really had no idea that we were going to be disbanded and we had no idea what was going on last year.

Alderman Hirschmann asked I just want to know...

Alderman Cashin asked we are talking about whether we want to relocate it, we are talking about whether they are going to be non-profit, we are talking about the School Department and what their association is. I lot of this, I thought, was taken care of. If we are going to "beat the bushes" again we are going to be here for a long, long time. We have to make some decisions here one way or another.

Mayor Baines stated I thought in the premise that we had been proceeding on that there was a general agreement to proceed with the non-profit status. That was my understanding.

Alderman Hirschmann stated I do not think there is a vote to the effect, Your Honor. I do not think that you could find in the City Clerk's Office a vote to that effect.

Mayor Baines stated we would have to go back on that because what happened was...

Alderman Hirschmann stated in our budget deliberations we decided to make MCTV a department. The word "department" was bantered around these walls every day during our budget discussions. It was supposed to be for their benefit but somehow someone decided that it was not to their benefit and to make them a non-profit corporation and that is more to their benefit but it is really not.

Mayor Baines stated we will go back and research the chronology but that was my understanding of it.

Alderman Hirschmann stated that first thing...that was my observation as to why would you want to possibly leave. The second one was we are talking about your expenses...what are your revenues like revenues to-date today do you have revenues and what are your projected revenues for the year 2002.

Mr. Vandeboucoeur asked are you talking about the number at the end of the budget.

Alderman Hirschmann asked like today to-date...what are your revenues to-date for this year. Do you check them monthly; quarterly...what do you do over there.

Mr. Vandeboucoeur replied any revenues that come in like I said usually come in just in the form of membership fees so they are small amounts. There is a specific account set up through the School that we deposit that money into.

Alderman Hirschmann asked we know that but they get posted and how much is it...where is it.

Dr. Sullivan replied in 2001 the dues and fees were \$1,395.

Mr. Vandeboucoeur replied those are our expenses...Alderman, I do not have the exact amount.

Dr. Sullivan stated we could get that information for you.

Alderman Hirschmann asked do those revenues go and get posted to the School District.

Mr. Vandeboucoeur replied in the negative and stated they go into an account that MCTV draws from.

Alderman Hirschmann asked so it is a non-lapsing account that you spend your own revenue.

Dr. Sullivan replied in the affirmative and stated mostly on tapes.

Alderman Lopez asked the City attorney has been doing this now for a number of months on this non-profit but at what authority...

Mayor Baines replied a lot has happened during the past year and we will have to go back and reconstruct the chronology.

Alderman Levasseur stated I agree, Mr. Mayor, that there was never a vote on whether they should become a non-profit. I know we talked about it and bantered about a lot but it never came to this Board's attention that we were going to go in that direction.

Mayor Baines stated again, I would have to go back and do the chronology and if my memory serves me right a report came to the full Board that the recommendation of the committee that we put together including Mr. Clougherty, I believe is on it and people from the schools and the City...that was our recommendation. But again, I have to go back and reconstruct the chronology. I do not have an accurate memory of everything that occurred here...we would go back and reconstruct it. There was a report that came to the Board it was accepted by the Board and that is why we had them working this whole year to put this non-profit status into effect. So there were a lot of us who were moving in a direction that is contrary to what some people's memories are but I would rather go back and reconstruct...I am not spending a long time debating that tonight...come back to the Board with a chronology that took place.

Alderman Levasseur asked what was the total cost of becoming a non-profit. I heard Alderman Lopez say that it was going to cost \$160,000 for them to become separate or is that because of the cost of sending them to another location.

Alderman Pariseau asked if you were in favor of this non-profit status why was it not included in your budget.

Mayor Baines stated I do not recall any numbers that came for us because of the cost for non-profit. Do you recall that, Wayne.

Mr. Robinson replied in the negative.

Dr. Sullivan stated when we had presented the budget we talked about the liability insurance, we talked about the legal fees, we talked about the...



Mayor Baines stated I would have to go back on that I do not recall specifically...

Alderman Vaillancourt stated it says right here that they requested \$712,000 at the time so apparently they presented some data for that.

Mayor Baines stated but understand, Alderman, our entire budget we presented to the Aldermen with the constraints that I indicated that as we looked at the process as it evolved as additional revenues or whatever the budget picture became more clear. We would be in a position to add to various departments or subject from various departments. So we went into the entire process with that as a reality of the situation.

Alderman Vaillancourt stated but on this sheet it says they requested fiscal year 2000 was \$712,000 and you cut them back to \$358,000 so you did get a \$712,000 request.

Mayor Baines stated I concur with that we did not approve it. I would like Mr. Arnold to just brief us on this process as he recalls it.

Mr. Arnold stated such as I recall there was a committee put together to look at the various structures that MCTV could take including being a 501c3 non-profit a City department remaining in Schools. At the conclusion of that committee studies I think it was the consensus of the committee that probably the best structure would be a non-profit tax-exempt corporation. I quite frankly do not remember if there was a vote of the Board on how to proceed. However, I have looked at a couple of draft incorporation documents and certainly that would have to come before the Board for a vote if it has not already in order to set that up as a 501c3.

Alderman Levasseur stated I have gone over all the minutes and I have not seen any kind of a vote taken on all of that. I have read them as they come to us so if that happened last year...Your Honor, what it could have been was we were having discussions while we were doing the contract negotiations with AT&T but it never came to a full Board in front of one of our Board of Mayor and Aldermen meetings.

Mayor Baines stated again, a report came to the full Board and what the action of the Board again we are going to have to go back and look at it.

Alderman Vaillancourt asked did the Board ever approve this MCTV Advisory Committee...who established this committee and under what authority.

Mayor Baines stated again, could we try to keep...we are going to be all over the place in terms of tonight...we are trying to get the budget information presented to us. Then we are going to have to make some decisions. Everybody has their own angle regarding this. I think we need to focus on the budget.

Alderman Hirschmann asked if we are just talking about the budget...one of the key points of the cable contract because I sat on that committee...our City Solicitor negotiated day and night and brought a document to Alderman Gatsas and myself and everybody else and you advocated for that I-net and the decision the committee made was out of that \$900,000 the I-net was going to have to be paid for. And you left the I-net out of the \$900,000 and that is in the minutes of the Administration Committee and that is a fact you could ask Alderman Gatsas.

Dr. Sullivan stated we were never directed to that information to be honest to you.

Alderman Hirschmann stated I guess no one is getting the I-net then, right.

Dr. Sullivan replied well then we were never directed about that information.

Alderman Hirschmann stated I guess it is not important anymore then.

Dr. Sullivan replied of course it is important, Alderman.

Alderman Hirschmann stated she advocated all year, Your Honor.

Mayor Baines stated I am just curious why there is such a tension as opposed to let us just get at the facts of the situation proceeding.

Alderman Hirschmann stated because the facts of the situation are being left out, Your Honor.

Alderman Levasseur stated and also, Your Honor, we only have \$900,000 for capital money and this Board believed that we were getting I-net and a couple of other things first and then we were going to do other things after with whatever was left over. We are putting the cart before the horse again.

Mayor Baines stated and you could have legitimate disagreements about that...they explained why they took the position that they took.

Alderman Gatsas stated let it be understood very, very clearly that at no time did anyone look to break up MCTV because I think that was one of your statements that you made a few minutes ago that one of the thoughts we had was to dissolve MCTV. So let it be known that nobody ever made that suggestion.

Dr. Sullivan replied in the current structure...

Alderman Gatsas stated that is not what you said...you said dissolving MCTV but let us go on with the budget because I have more concerns than 503c's and things like that...could you tell me under your current contract do you...your contract has followed the same negotiating procedures as teachers.

Dr. Sullivan replied in the affirmative and stated I am in the teacher's union.

Alderman Gatsas asked what about the rest of the employees.

Dr. Sullivan replied they are MESPA union employees.

Alderman Gatsas asked when did they join that.

Dr. Sullivan replied Mark has always been a MESPA union employee. The three current new positions are MESPA employees and Jason originally was contracted...he became a MESPA employee within the first year. We are all union employees.

Alderman Gatsas asked so your current contract is that a fifty-two week contract with vacation time or is that a teacher's contract from September to June.

Dr. Sullivan replied in the negative and stated my contract is a teacher's contract plus additional days. I work longer than a teacher's contract.

Mayor Baines asked what are the dates...what exactly is it.

Dr. Sullivan replied two hundred and one days. I add on...the teacher's contract is one hundred eighty four and then there is additional days added on based on a per day basis of what that is worth.

Alderman Gatsas asked is that less than a principal's.

Mayor Baines replied principals now are two hundred and seventeen, I believe. Somewhere around there.

Dr. Sullivan stated so, Alderman, I think you are probably if you wanted to check my diary and I could get it for you I work more than two hundred and one days.

Alderman Gatsas asked what about the other employees.

Mr. Vandeboucoeur replied we are all considered fifty-two week employees. We work year round.

Alderman Gatsas asked no vacations.

Mr. Vandeboucoeur replied in the negative and stated standard two-week vacation and sick time standard, benefits.

Alderman Gatsas asked is there a time clock down there...does anybody punch a time clock.

Dr. Sullivan replied in the negative and stated we keep track of our hours though.

Alderman Gatsas asked how do you keep track.

Dr. Sullivan replied we do it on a board and then we do it on our daily board and then I sign off on their work and I keep a log.

Mayor Baines asked you have to submit forms to the School District.

Dr. Sullivan replied in the affirmative and stated and I keep a log of how much more hours I work.

Alderman Gatsas asked so the forms that you sign off on the School District has those.

Dr. Sullivan replied in the affirmative.

Alderman Vaillancourt asked let us focus on the Mayor's recommended budget if we could get back to the budget matter...does this include the same number of employees that you currently have or did you budget for an extra employee.

Mayor Baines replied the same number of employees.

Alderman Vaillancourt asked so it is the same number of employees the health, dental and the lines of that went up commensurately with the City salaries and such. I am interested in this little elderly woman that you were talking about who was unable to come to the MCTV studios that is currently configured because she could not come after 2:00 in the afternoon because she could not drive after dark.

Dr. Sullivan stated she wanted to come during the daytime.

Alderman Vaillancourt asked would it be possible and I spoke with the School Board Finance Committee Chairman Brad Cook who told me I hope I am not giving secrets away that after his tenure with the School Board is over he would like to do a show as well but he would not be able to come Monday through Friday so would it be possible for you to open up on a Saturday or a Sunday to allow this little elderly woman to come down and to allow Brad Cook to come in and to do programming on weekends...could you do that in the constraints of the Mayor's budget. In other words, could you take one of your salaried people maybe and have them work eight hours on Saturday or Sunday to make for better programming without going to a \$300,000 increase.

Mr. Vandeboucoeur replied currently our constraints are on the building. It is my understanding we are not allowed to let anybody else in that building if the building is not legally open to the public. Our hours have always been based on what the availability is in the school.

Alderman Vaillancourt asked so when the school is closed for vacation week nobody could come into the building.

Mr. Vandeboucoeur replied in the negative and stated when the school is closed there are still custodians there.

Dr. Sullivan replied when the custodians are there the school always stays open.

Alderman Vaillancourt asked so you would need a custodian there to open this up on weekends.

Mayor Baines replied you would need a custodian...the general policy of the School District if the building is opened up to the public there has to be a custodian in the building.

Alderman Levasseur asked are all your employees salaried.

Mr. Vandeboucoeur replied in the affirmative.

Alderman Levasseur asked and you have how many of them over there.

Mr. Vandeboucoeur replied six.

Alderman Levasseur asked does that include Grace.

Mr. Vandeboucoeur replied in the affirmative.

Alderman Levasseur asked how come we have overtime in there...what is the overtime pay.

Dr. Sullivan replied five of the employees are on hourly MESPA and so why do they have overtime...because sometimes your meetings run over.

Alderman Levasseur asked I am asking you why there is a line item in here for overtime if they are all salary. I know they work overtime...I work overtime too I do not get paid a penny over my...

Dr. Sullivan stated because I am the only one salaried the rest are on hourly wages...the five positions are hourly.

Mr. Vandeboucoeur stated I misunderstood what you meant by salary, I apologize. It is based on an hourly rate.

Alderman Levasseur asked so when you gave us these numbers that you based your five employees on an hourly rate those are not salaried rates.

Dr. Sullivan stated I am the only one that is salaried and they work hourly and they go overtime.

Alderman Lopez asked Dr. Sullivan, if you stay where you are at and the budget is \$358,000 your capital improvement that \$900,000 if you had to stay where you are at would you be spending any of that \$900,000 at the present studio to do anything.

Dr. Sullivan replied well if we have to not have it go to a non-profit separate but tied to...then we are going to have to go back and take a deep look whether or not we go to a production van. We are going to have to look and see what our needs are. This changes...if we stay where we are what would be our priorities. Would our priorities be a production van to go out and set up a production van and then come back at a later date and say maybe this is not the year that we go separate maybe this is not the year that we have a separate studio maybe it will be next year and then put in for an equipment van. We do not know, we will have to meet with people and discuss it. We have done the best we can to present our needs to you working with citizen involvement.

Alderman Lopez stated I appreciate that I just wanted to make sure that I was clear in my own mind as to if you stayed where you are at would you realign and the fiber connectivity that would be part of the \$900,000 then.

Dr. Sullivan replied I think we would have to do a needs assessment. I really think that we would have to probably convene similar to what we convened with the 2010 conference that we had. What I would do professionally is to convene like we did in 99 when Alderman Pariseau was Chairman of the Committee, we would convene people together representing school, City, government, non-profits, education, business people, business leaders, and get community input as to what we are going to do next. That is what I would do.

Mr. Gross stated the volunteers have been working on this for a long period of time under the understanding that the City really wanted to move forward and grow Manchester Community Television from what it is today. This commitment...we could go to he said she said...percentages, non-percentages...personalities...who is right, who is left...we see arguments all the time as someone who is at home and watches this aldermanic board most often. The group of volunteers that have been behind this are a diversified group of people who have a vision for Manchester Community Television becoming a lot more than what it is today. So we are here in front of you not to debate what was said in a “closed door” thing three years ago and whether people like the way Grace did a certain thing or whether the alderman was misunderstood. We are here because for a small amount of money this Board could accomplish something. It is not a huge project but it is a project that is very visible. In this City, visible projects that do not cost a lot of money are hard to come by. This is going to be a studio downtown with great visibility that is going to be a real feather for this City. It is going to be really good that the aldermen got behind a project that is going to have community involvement. We talked about revenue stream...as a non-profit it will be a potential for revenue stream. We have already started talking with some other organizations that come in and do certain things during election time and so forth with the ability that maybe we could generate some funding for additional things. But you cannot stop...if you go back to the way you are and you stay where you are we cannot even start to explore those possibilities.

Alderman Lopez stated I understand that. One last question I have is just to make sure that...Alderman Levasseur said something there in reference that you would not come back...you will always come back for a budget being a non-profit organization.

Dr. Sullivan stated for operation funds.

Alderman Vaillancourt asked we were trying to concentrate on this year's budget, again, and we were trying to focus on what you could do if the Mayor's budget were presented and you were to get something like that amount. I will not even ask the Alderman Wihby question of what you would do with two or three percent

less. But there are certain things that you would definitely need whether you go to a new studio or not as you do more and more production I assume you might need a new camera and there is also somebody that has made a recommendation that regardless of whether we go to a new studio or not we should probably have something better in the background by way of graphics rather than seeing the four plants thirty or forty times a week. So there would be equipment such as a new camera, some kind of graphics design machine hopefully that you would list into finally procuring.

Mr. Vandeboucoeur replied again, all that would be money that would be paid for with money coming out of Capital Equipment.

Dr. Sullivan stated a set system for the second studio for electronically created backgrounds. This is a little bit of a high-ticket price item. But we will look at that. Like I said, if we stay at what we are, we are going to go back to the drawing board and I am going to be a pragmatist and deal and keep going and keep doing the best that we can.

Alderman Gatsas asked on where Alderman Vaillancourt was coming from...there was \$37,000 of additional funds that you could have done something with backgrounds and everything else.

Dr. Sullivan replied the virtual set that Alderman Vaillancourt is talking about is...

Alderman Vaillancourt stated I was not talking about virtual sets.

Alderman Gatsas stated I am just talking about something other than the four plants that are there.

Dr. Sullivan asked so the money that is left over in the budget you were asking us that we should go out...you are advising us to go out and buy this set.

Alderman Gatsas replied in the negative and stated I am just saying you had the opportunity because the funds...

Dr. Sullivan stated I am just saying advising...

Alderman Gatsas stated I am talking about the \$900,000, Your Honor.

Mr. Vandeboucoeur stated part of that money is that money is not all for equipment that would also be to build sets.



Alderman Gatsas stated I did not say it was but there would be some portion that you could replace four plants with something that would cost you two or three thousand dollars to dress up the background a little bit.

Dr. Sullivan replied Alderman, again, I would love to be able sit down and meet with you and we could talk about set design or anything that you would like to talk about.

Continuing discussions relative to FY2002 budget requests as follows:

### **Building**

Mr. LaFreniere stated I wanted to extend my appreciation for the opportunity to come before you this evening and try to give you a brief presentation of what we are looking for in the form a budget request this year and how we are looking to allocate those monies and conduct our responsibilities. What we have done is I think most of you are aware we presented a Power Point presentation to the Mayor it was televised. It contained the format of the budget that all of the other departments had been using. What I have before you this evening is a brief snapshot of that if you will. Some of the essence points and actually have imported a couple of points from the business plan that we also went through with the Mayor's Office. The first slide here...and all I have done in the form of a handout...let me back up a step and explain that for you. I gave you a copy for those who are sitting with their backs to the screen would not have to crane their necks to see the slides but all that is in the handout essentially is the slides themselves with the final sheet our up-to-date revenues as run at 5:00 today. I thought that would probably come up in the matter of discussion so I wanted to have the most up-to-date information on that. Back to the presentation...our organizational chart I think you have all seen before and we have by structure essentially three separate divisions with our Structural Division containing our construction inspectors and construction supervision and the plan review section. The Housing Standards Division that conducts inspections of residential rental property and then our administrative support section that supplies administrative support to the entire department. On this slide, you will note that there our existing staff complement is reflected in the white boxes. There is a box for each position currently on staff. The two dark boxes are two additional staff members that we had requested as part of our budget request. They did not come forward in the form of the Mayor's recommended budget and I just wanted to offer a brief explanation about how they got into our request and provide you with some background as to that whole entire issue. The next slide is our full-time employee equivalent chart. This indicates we have had essentially the same staffing level for the past two budget cycles and the two in green on the FY2002 chart reflects the

additional two staff members that we had requested consideration for. These next two slides I will touch briefly on the program functions and activities of our department. What we actually do within each of these divisions and function and program areas. As I mentioned previously under Building Code the administration we do all our building plan review, our permit approval, we do our permit issuance, the field inspections, record maintenance and then our ongoing code review and our periodic adoption of updated codes which we have worked hard to try to build into our programming as we continue. We are in a field that is changing rapidly in the form of new technology that we have seen out there continually and we feel it is will serve the City best if we are maintaining currency with that technology. This next section is the Zoning Ordinance administration...this includes our site plan review, processing of Zoning Board of Adjustment appeals, site inspections and the periodic amendment of the Zoning Ordinance through the formal adoption process. The next slide is a continuation of the program functions and activities. The Housing Code administration is our Certificate of Compliance program. I think you are familiar with that program for the viewers who may not be the Certificate of Compliance program is a pro-active effort to maintain minimum housing standards of our residential rental stock in the City. We issue Certificates of Compliance for residential rental property on a three-year cycle and our inspectors go out on that cycle and inspect property for compliance with our Housing Code. We also do property inspections related to complaints and then other pro-active measures that we try to take to insure that minimum housing standards are maintained. The final areas the administrative support section which includes the processing of all our applications and certificates...Certificates of Compliance and Certificates of Occupancy. The finance administration reporting for the department, personnel administration and the archiving of departmental records. As part of the budget process this year and as part of the business plan that we undertook as a result of the Mayor's request we identified critical issues that we felt were facing the department. I thought it might be of some value to try to very quickly go over some of those to provide perhaps an insight as to what we are facing as we move forward. In this process, we did a lot of internal soul searching if you will. We did some work in-house trying to determine what these issues were. We did some surveys with our staff. We talked with other departments. We talked with some of our customer base and one of the issues that we identified that was warranting improvement is the communication within and between departments. We feel that this is critical in an effort to try to both promote and maintain our mission as well as to provide a quality customer service. That dovetails in with our ability to meet customer needs with our existing staff resources. We tried to take a look at what demands were placed on our services, what we were being requested to do and how we might best provide the resources and allocate the resources to provide those services. And in that process, we did identify the potential need for adding these two staff members that I will talk to more specifically in a moment. Information

technology issues are a continual concern as I mentioned not only is the technology changing rapidly in the construction field obviously it is changing rapidly with regard to how we just process and handle our information, how we are able to make that information available to those people who need it. Code and Ordinance update maintenance is something that we have recently been before this Board discussing. As you are aware, the last code adoption process was some number of years ago. We are hoping that this will be something that will be able to maintain more currency with and as a result the up-to-date with the expectations expressed by the insurance services organization when they evaluate our community for rating issues and as well as to try to provide a more uniform code process and code cycle with other communities that contractors and architects and engineers and design professionals may be utilizing in other communities as they come into Manchester. The need for improved process and prosecution of Code and Ordinance Violations is something that we specifically identified. It has been our experience that it is difficult to in some cases get compliance on some of these issues as a result of the inability to put the resources to following through on these cases at times. We feel that this is an area that we need to work with the Solicitor's Office on and try to develop some programming needs and perhaps make some adjustments and take some different policy directions to improve this process. And then finally, employee support training and team building initiatives were identified as something that has become critical as a result of the pressing needs that we are experiencing from results of increased workloads and changing technologies. Part of our insurance services organization rating as I eluded to earlier takes into consideration the competency of our inspection staff. We have as a result been taking steps over the last few years to get our staff certified with national certifications. This is a process that we have completed essentially in the structural division and are now going to be working with on the Housing Standards side of the house and this is an area that we do feel remains a critical issue for us. This next slide provides the actual numbers behind the budget that is before you this evening. We have divided it into two columns basically that reflect our requested number and the Mayor's budgeted number. I realize that you have all of these numbers. The effort here was hoping that this might provide a little bit clearer view of where they are instead of searching through a couple of different spreadsheets. Essentially, the differences between the request and the Mayor's budget are reflected in the level funding of the operating expenses and the funding level necessary to maintain our current staffing level. The requested number does include an additional Customer Service Representative and an assistant Zoning Inspector whom we had hoped would be considered as part of this budget process. Might point out that the revenue number, as it appears here is \$100,000 over the number that we submitted last year actually. We submitted a number of 1.2 million dollars to the Mayor and the Aldermen. That number did increase slightly through the budget process. We have proposed that number may increase, however, I would point out that when we developed that number we did

anticipate that we would have the additional staffing to help us generate those revenues as well as that number did anticipate that the new fee schedule as part of the Building Code adoption would be in place.

Alderman Wihby asked Leon, if you look at the year-to-date numbers for the revenues it looks like a million four seventy-eight and you still have the rest of May and June to go so you are probably going to end up with another maybe a million six or seven. And if you are anticipating higher fees why would we not be using a million seven this year for 2002.

Mr. LaFreniere replied what we did in that process is we took a look from the standpoint of trying to anticipate what may be coming to us in the form of revenues through fees. In communication with the Mayor's Office and listening to the Mayor's message we had understood that the indicators were that revenues were going to stay somewhat static. That they were probably not going to see increases. We do not necessarily have insight as to what projects are going to be coming down the road for FY02. It is always a bit of a "gamble" if you will with regard to trying to project what those numbers might be.

Alderman Wihby asked could we assume it is going to be the same as this year.

Mr. LaFreniere replied I couldn't say that for sure. We did have some fairly large projects. One of the "wild cards" if you will in this is that a lot of our building permit revenue has been generated from the rehabilitation of existing structures over the last couple of fiscal years. And as we discussed with the Aldermen at the presentation of the Building Code the Building Permit fees are heavily weighted to that type of construction activity. We charge \$20.00 per \$1,000 of construction cost for renovation and rehabilitation. We charge \$3.00 per \$1,000 of construction cost for new construction. This disparity was generated some time ago and we feel it really cannot be justified and as in the side provides something of a disincentive for the rehabilitation of older structures. I cannot sit here and tell you that it would have made the difference on from rehabilitation/renovation projects going forward but it certainly does not send a very good message and does result in some very high permit fees for that type of construction. The new fee schedule essentially takes that rehabilitation/renovation cost in half. It has it down to \$10.00 per thousand dollars of construction cost. It does increase the other new construction cost substantially in an effort to try to bridge that gap. When I mentioned the "wild card" effect on that my concern is that we do not know going into the new year exactly what that distribution will be and what its ultimate impact will be on the total revenues generated.

Alderman Wihby asked so when you say here that the adoption of a new fee schedule...that is something that we have not adopted yet but that is the thing that you are talking about where that money the \$10.00 per thousand that is...

Mr. LaFreniere replied that is in the new fee scheduling that is part of the Building Code that we have proposed for adoption.

Alderman Wihby asked and you do not know how much rehab was compared to the other one as far as money goes or total dollars.

Mr. LaFreniere replied I could provide you with those numbers. I did not bring them.

Alderman Wihby asked is it half...is the increase in fees going to cover the decreasing fees.

Mr. LaFreniere replied that is what we have tried to project. We did an analysis of the revenues generated and the construction values on each of the construction types and tried to bring it to some...

Alderman Wihby asked if that is true why would we not at least use the same revenue as this year in the budget.

Mr. LaFreniere replied we have proposed an increase and certainly the Board can increase it further. We have proposed the increase as a result.

Alderman Wihby asked but if you are looking at what you did year-to-date and you are going to end up with a million and seven and you are only still using a million and three forty it seems like we should at least assume flat rates and you are going to end up with a million seven again. Is that a bad scenario.

Mr. LaFreniere replied three years ago I had to come before the Board and try to explain how the revenues that had been adopted as part of the budget process were not achieved and so it is possible that we find ourselves in that situation. I guess I just would want to caution that I do not have a "crystal ball". We have tried to use indicators going back over a period of years. I think it depends heavily on what the state of the economy is and how we move forward. Certainly there is a potential for generating revenues at least on par with what we have done this year.

Alderman Wihby asked what are those next columns after that. It says it is a million and seven already with one month to go. Are those revenues in other departments.

Mr. LaFreniere replied you are on the last sheet...what you need to do to look at what we have generated year-to-date revenues look at the sub-total column essentially in the center of the chart...

Alderman Wihby asked what are those other columns to the right of it.

Mr. LaFreniere replied those columns to the right are the impact fees. So School Impact Fees generated year-to-date another \$228,000 in...

Alderman Wihby asked in School revenue.

Mr. LaFreniere replied in the negative and stated these are the impact fees that are levied against new residential construction and are placed into an account.

Alderman Wihby asked and what about the Fire column.

Mr. LaFreniere replied it is the same thing. It is the impact fees...all we are is a conduit for those impact fees. The Planning Board sets these impact fees. I believe it is part of their review process built into the Ordinance and we are a conduit for collecting those fees.

Mr. Clougherty stated our projections through year-end are that they will be at about a million six. If you take a look at their collections through the end of April they are at one million three hundred and fifty-nine thousand eight hundred and seventy-six dollars and sixteen cents. That is collections to date for this year. So if you annualize that or take it forward we are looking at about a million six.

Mr. LaFreniere stated if it helps with the math my spreadsheet indicates that month-to-date in May we have taken in a hundred nineteen three o eight. It is on your chart there. Just to add to the Finance Director's number.

Alderman Hirschmann asked we had numbers in front of us last year that showed that you over-performed your revenues. And I was sitting here I think it was on a Saturday arguing the Board and trying to get you up to a million and a half for revenue and you have over-performed over twenty percent probably by thirty percent by the time things are all said and done. So that is three hundred thousand dollars that could have been put on to the budget and help the taxpayers but under-performing and under-guessing every year...I could see if you missed by five or ten percent but missing by thirty percent that does not look very good. It does not look like you know enough about your own revenue stream to make a guess. But when you miss by thirty percent that is a lot. You cannot do that and they know that you hired economists and all kinds of people to come and consult you. I got a memo saying you had people from New Hampshire College and...

Mayor Baines stated Mr. Clougherty put together that group.

Alderman Hirschmann stated well whoever did it...you should have a better idea this year of a revenue number. I think Alderman Wihby and everyone else on this Board realizes that the Building Department's revenue should be about 1.7 million dollars, easy.

Mr. LaFreniere replied in response I could only tell you that...

Alderman Hirschmann stated a thirty- percent miss is a thirty- percent miss.

Mr. LaFreniere replied I could only tell you that we felt that it is prudent to try to bring this information before the Board and provide a number that we felt comfortable in projecting that we could provide and not be in the situation explaining why we missed it by thirty percent over.

Alderman Hirschmann stated I tracked it every month at my committee and I knew exactly to the penny how much you were over every month.

Alderman Gatsas asked I think last year when we went through this budget process we did it I believe in April and we did a lot of comparison of numbers for May and June and your numbers that you showed in June were never following trend for April. They were always less. It looks like you are pretty close to the April number in May which means you are probably going to be pretty close to that number in June which is about thirty percent over what we projected last year for May and June.

Mr. LaFreniere replied I have the FY99 the FY2000 numbers monthly in front of me in anticipating that you might have a question but I am not sure I understand exactly what...

Alderman Gatsas asked May of 2000 what are the actuals that you have.

Mr. LaFreniere replied our subtotal in May of 2000 was \$94,126.

Alderman Gatsas asked and what was it in April.

Mr. LaFreniere replied April was \$166,040.

Alderman Gatsas asked the June number was \$120,000.

Mr. LaFreniere replied the June number in 2000 was \$116,000. If I may I will take one more stab at this...I know of no crystal ball to know what is going to come in on these numbers. Unfortunately the way that this process works, we do not charge a fee until construction actually commences. We do follow projects that go through the approval process but many times those projects do not ever come to pull a building permit. They just do not develop to that point. So these numbers could be whatever this Board feels appropriate obviously. What we are trying to do is just...are we being conservative...absolutely. We are trying to make sure that we do not come in with a number that we cannot meet. Might we end up higher...we can generate higher revenue with higher fees certainly. That would be one way to address the situation should we see a shortfall midway through the cycle.

Alderman Gatsas asked would you say that the activity of developers being in your office over the last two months which do not show for projects that are in the pipeline has been as great or less than what you have last year at this time. I am just talking from a conversational point of view.

Mr. LaFreniere replied it is probably on par but of course the nature of the projects can vary greatly in terms of the fees that they generate. You could get some...we spend a lot of time dealing with projects that may not generate tremendous fees or any fees in the case of...for example the Civic Center and some of these other projects that we have allocated significant resources to.

Alderman Gatsas asked but those Civic Center fees are not on here anyway are they.

Mr. LaFreniere replied in the affirmative.

Alderman Gatsas stated so that is a bad analogy.

Mr. LaFreniere replied I am not using it as an analogy. What I am trying to do is indicate that a lot of that activity...

Alderman Gatsas stated let me give you an example...the building that is across the street from Margaritas (the Bond Building) that obviously is moving forward. That would be comparable to the renovation or somewhat comparable to the renovation at Margaritas. I am just looking at the Chase Block. I am asking have you seen buildings if you did twenty major projects had people been in to talk to you about ten major projects this year that maybe have five or six come to fruition of the same size or greater magnitude than what you have talked about.



Mr. LaFreniere replied we certainly have a number of projects...for example the Bond Building is not going to be in the league of the Chase Block in terms of expense from the standpoint of its starting condition as well as it is considerably less square footage. We have at least two other buildings downtown in which we are in talks with people now.

Alderman Gatsas asked how many square feet in the Hampshire Plaza.

Mr. LaFreniere replied I do not know off-hand.

Alderman Gatsas asked is that not under some major consideration for...would that not be as big as a project that you have looked at this year or maybe five times as big as any project that you have looked at.

Mr. LaFreniere replied in terms of a rehab. project it would be. It does not rise to the level of some of the new projects.

Alderman Vaillancourt asked it seems to me that Building is a function of the economy as a whole. I think you would have to admit that the economy this past year has been pretty bad as opposed to what we are expecting for the coming year. The NASDAQ has gone about in half. It has been a devastating move economically on the gigantic fronts...the overall picture countrywide. So I think we could assume that next year we will be at least as good as this past year and probably much better. So if you come up far short this year I think you are going to come up farther short next year. Is there something wrong with my macro economic analysis.

Mr. LaFreniere replied I think only that it may not take into consideration the effect of time. We did, for example, have a couple of fairly large projects this year that went through approvals process and were ready to start construction but financing was lost because of the direction that the Stock Market was heading. I could only assume because that is what we were told by the people who come in to talk with us about it as well as rising interest rates. I realize that interest rates have come down of very recent history and what the effect of that will be on the commercial market. I am not an economist. I try to utilize the guidance of those people who are better in tune to those sorts of indicators than I. But what I have tried to do is rely on historical indicators with regard to what we have generated for revenue in the past. This does seem to me to be a bit of an anomaly that we are generating this kind of revenue. I am much more comfortable coming to you and saying that we have generated revenue in the excess of expectations than I would be coming back to you and saying that I have generated considerably less.

Mr. Clougherty stated the economist that we talked to and have been talking to feel that the beginning of the next fiscal year will be much softer than the last quarter of this fiscal year. Their advice has been to be prudent and to take a look at what your performance has been and try to hold the line on that. That there is the potential for something to happen with the economy that would be more negative. But I think most people feel that New Hampshire is in a better position to weather that than other places in New England. So again, the advice that we have been given is to hold the line on revenue.

Alderman Vaillancourt stated I would just say that my hours of watching CNBC are for not then. I think we have hit the bottom and are coming back. The economists' outlook that I have seen is that we have had the soft landing and are on the way back. You are saying that your experts do not agree with that.

Mr. Clougherty replied I am saying that most of the people that we have talked to, Alderman, do not agree with that. They are not certain whether you have hit the bottom and are coming back up that their feelings are that there are still a lot of negatives in the economy with respect to IT and things like that which New Hampshire has a big stake in. So they are...for something to not go our way in this economy. They are saying until you know that and have weathered it you are better off being conservative and if things work your way then it effects your fund balance.

Mayor Baines stated and there are some...I agree somewhat with what Alderman Vaillancourt is saying. I have been out visiting businesses but we have visited one business of late where the employees were on four and three-day workweeks. So there is some concern and some softening out there. Again, you are making calculated "guestimates" based upon performance. And certainly we hope it is stronger than we projected as this past year has been. If we are looking at auto registrations for the month of April was way up considerably. So that is helping it and us all helps the taxpayers whether it is taken into consideration last year or if your revenue received this year it ultimately benefits the taxpayers no matter what.

Alderman Levasseur asked I agree. Because we gave a pretty much almost a zero percent tax increase last year although it may have been a little bit lower because of our projections on revenue...it is going to end up just skiving a little extra money in this year's budget that we could just take the...I am hoping to be able to reduce the projection this. I would much rather they came in with a conservative number than obviously having to come back to this Board for more money. It looks like the Mayor is really optimistic on yard sale permits, do you know something that we do not. I was going to talk about the safe schools...you talk about how we want to make sure our schools are safe...one of my constituents

called me and asked me does our City Building Department inspect the schools ourselves.

Mr. LaFreniere replied only new construction renovations. The Fire Department does periodic inspections.

Alderman Levasseur asked the reason why this person wrote to me it happened to be somebody who was an engineer background and I guess the way that he had written all this stuff he kind of was familiar with a lot of the things that were going on at Central. It seems a little bit...I would think, Mayor, that we probably would want to institute a policy here that all our buildings in the City are on a three-year...every three years a building that you live in or you rent if there is a rental in here you have to go through a compliance (COC) process. It seems to me that in order to save ourselves a lot of money and maybe get professionals involved in this, Your Honor, I think it would be encumbered on the City to have the Building Inspectors do the inspections of the schools on a regular basis also. To say, well, this does not work or that does not work or something is out-of-line and I have a list of the things that they said was wrong with Central and it was an engineer who obviously I think his children go to the school and it was one of those situations where he was asking whether the Building Department went in and did these inspections. I think it is something that we should be doing on our own and I know the Fire Department may go there whenever they want to go but I think we should do that ourselves because you do say in your mission statement that you want to have safe schools and we do seem to have gotten a lot better at our apartments. I know how you guys are very diligent in your work and you have brought a lot of these buildings into compliance and I know you have caught up and they are all on a regular basis now and they are done on an annual basis. So I would like to see that done. As far as your extra person that you requested in your budget. I know you requested an extra person for your zoning to go out and try to help the City get the trash problems under control. How much money are you giving back on your salary this year...are you giving back any money from last year's projections.

Mr. LaFreniere replied we estimate that number...and this is a result of vacancies...will be somewhere between \$14,000 and \$39,000 and the reason that it is such a wide spread is because we do have an employee situation under appeal now that we were...

Alderman Levasseur stated I am well aware of that.

Mr. LaFreniere continued we might turn back as much as \$39,000 but not less than \$14,000.

Alderman Levasseur asked but you are much lower than most of the others so you are right in line on most of your people that you have had there have been there for a long, long period of time. Could you explain to us why...I brought in a request for higher fines for garbage...absentee landlords seem to be not picking up the garbage around their properties. That was one of the reasons why I know you requested this extra zoning person so that we could try to stay on top of this a lot more. The fees that we had mentioned instead of being \$25.00 per fine going to \$75.00 and such...is there any way you could do an analysis of what those fines were for revenue and how much we could expect to get out of those fines to be able to pay off another Building Inspector. I know a lot of people in this room agree with me that the trash problem is out of control and I am seeing what these guys have been doing on a regular basis and the amount of revenue that they are doing...obviously their business has increased quite substantially. I was thinking that it is not a bad idea to back maybe a part-time Zoning Inspector to help send out a message to the City that we are really getting serious about the garbage problems and maybe your revenue could show that you could bring somebody else in.

Mr. LaFreniere replied that is certainly something that we could take a look at. I would be happy to do that. I think we would need to work with the other departments that administer the Trash Ordinance...both the Highway and Health Departments. But I would point out that the, as currently structured, the citation fees and fines do not come into our revenue stream. They are paid at Ordinance Violations or in District Court if they are ultimately appealed.

Alderman Levasseur asked but you do hand them out.

Mr. LaFreniere replied we issue the citations certainly for non-compliance.

Alderman Levasseur asked and the fees that are generated go to...

Mr. LaFreniere replied if you pay your citation, you pay it at Ordinance Violations and actually I would defer to the Finance Director to help me with how that revenue is actually administered.

Mr. Clougherty replied Police Department. Ordinance Violations is a division of the Police Department and their revenues are reflected in that budget as a piece of that.

Alderman Levasseur asked it seems kind of strange, Your Honor, that the guys in the Building Department are out there doing all of that work and a lot of those Ordinance Violations are...I would be amazed as to how much that revenue would come out of your department.

Mr. LaFreniere replied what we did when the citation ordinance was developed was we had to get a statutory change first to enable us to do this. When that statutory change was effective and the Board of Mayor and Aldermen adopted the citation ordinance it by structure was set up so that we were essentially empowered as agents of the Police Department to levy these citations where infractions of ordinances were found. That is just its current structure. I do not know if that could be changed if you are looking for that.

Alderman Levasseur asked your need for the assistant Zoning Inspector what would be the biggest focus of that person's job. Would it be trash.

Mr. LaFreniere replied it would be field inspections and that certainly...trash is a big part of that...trash, unregistered vehicles, all manner of zoning infractions. Currently we have a single Zoning Inspector and unfortunately that resource is very much consumed in some measure by the new Zoning Ordinance because that does require us to go through a more comprehensive review process before we issue permits and before we...

Alderman Levasseur asked do you have a number on how many calls that your employees go out on or how many COC's they give out a year and how many ordinances they pass out. If you had a number that you could present to this Board for the last five years and show the increases then you maybe would be able to come in here and have a much more reasonable request and then be able to show the Board why you need that request and if you would get us those numbers I would appreciate it.

Alderman Gatsas asked why is it that you are so conservative with revenue figures and never look at the expense side where we should be able to cut then. If you are telling us that there could be a turndown that is what the economists are telling you then we should be looking at reducing expenses.

Mr. Clougherty replied what we look at for the Mayor's request is we looked at the revenues and gave him a projection based on meeting with reasonable economists. What they have said is not that they should be lower is that they should be flat. That is what we have recommended to him. The other side as you know with respect to expenses we have made recommendations to the Mayor with regard to expenses and he makes his determination...

Alderman Gatsas asked have you recommended that they should be flat.

Mr. Clougherty replied first of all, I think his operating expenses are flat and the increases are...

Alderman Gatsas asked did you recommend that the expenses should be flat.

Mr. Clougherty replied we have given projections to the Mayor that show what that is. The expenses were never asked of us.

Alderman Gatsas stated well I am asking you.

Mr. Clougherty replied I think that the increase...

Alderman Gatsas stated never mind I cannot get yes or no answers out of you. Leon, I just did some quick math here and taking your actual year-to-date expenses of \$768,239 dividing that by ten multiplying it times twelve I come out to \$921,886. Now you told Alderman Levasseur that it would be somewhere around \$30,000 or \$36,000 that you may be returning I am see a \$171,000 difference. I am looking at the expenses. Do you have your book in front of you of the sheets that we are talking about on the very first page section four of the budget the bottom line.

Mr. LaFreniere replied I believe I have...

Alderman Gatsas stated the actual expenses on the bottom are \$768,239 up to March 31<sup>st</sup>. I did the quick calculation of dividing that by ten and multiplying it times twelve.

Mr. Robinson stated excuse me, Alderman, March is through nine months.

Alderman Gatsas stated thank you so it comes to a million twenty-four and your revised budget request was a million ninety-three so it is \$70,000 difference.

Mr. LaFreniere asked \$70,000 between the what your calculation of the projection for FY01 and the FY02 request.

Alderman Gatsas replied in the negative and stated the revised budget request of 01, which is \$1,093,216.

Mr. LaFreniere stated well I believe that comes from a couple of different sources. If the Aldermen would recall during the last budget cycle we had a CDBG funded position that we merged into the General Fund side of the funding source. Funding 50% of the salary in our Operating Budget and 50% of the salary through the CIP and the CDBG monies did that. What happened because of dates of start up of the various programs we have to this point been able...we have not expended any of the City side funds because there were still sufficient CDBG

funds to carry us through and that coupled with the fact that we had a retirement of the person that was in that position and so we have not as a matter of course expended all of the CDBG funds that were allocated for that position either. So we had essentially an entire year of that single position. We also had a couple of other vacancies. We had an individual that was out on maternity leave and took some time without compensation. We had a vacancy in one of our inspector positions or another of our inspector positions and all of these coupled together is what is coming up with that total dollar amount. I could come up with a full accounting for you certainly...

Alderman Gatsas stated no Leon just remind me next time to ask you a yes or no question.

Alderman Lopez asked Leon two new positions...the classification of the employees under the Decker program the salaries that we have paid and the thirty-five hours going to forty hours and we now need two new positions. What has the five hours additional for the employees in production wise during the Decker program have been accomplished and how did you major that in coming up with two new positions.

Mr. LaFreniere replied we of course have had the Decker program in place for a couple of years now and as a result of the program it essentially put off the need to make a request earlier. We have as we had been discussing earlier this evening seen a period of unprecedented growth of unprecedented construction activity. What we did was in the structural division what those additional five hours per staff member bought us was the ability to meet the demands of the inspection requests. In the Housing Standards side what it bought us was essentially catching up from a significant backlog of inspections of our three-year cycle program had stretched out to four and five years because we did not have the resources to fully meet the demands of that program. As it is currently, we are still six or eight months behind but it is much more manageable than two or three years. The other thing that it bought us was the ability to certainly cover the additional hours with regard to our support side of the house as well as meet some needs that we were satisfying prior with volunteer help, with some temporary help. What we have come to now is not a need for additional administrative or technical staff much as a need to address the demands of the new Zoning Ordinance with regard to the time required and the resources that we must allocate to doing Zoning compliance reviews, doing site plan inspections and site plan reviews. It also is also going to allow us to meet some of the demands of processing the certificates and the paperwork that we are currently stretched very thin on.

Alderman Lopez asked in reference to staff development which you do not have any money in there but you have \$3,500 for travel expenses. But in staff development...how many employees do you have.

Mr. LaFreniere replied we have nineteen.

Alderman Lopez stated nineteen employees so multiply that by five extra hours a week.

Mr. LaFreniere replied well certainly not...not all nineteen of us...

Alderman Lopez stated then we will say fifteen at five hours a week that is seventy-five hours extra a week to accomplish a lot of those backlogs and production. Maybe whatever measurement that you are using from 1999, 2000, 2001 as to whether things were getting done. But in staff development is there somebody in your office that could pick up that extra duty if they were qualified whatever the qualifications might be to go out and do some of these inspections. Maybe it would get them out of the office and they would like it under staff development or go to school for a certificate.

Mr. LaFreniere replied well it kind of raises two issues. One is the staff that we have is currently at capacity with regard to their duties and responsibilities. We do promote cross training. We do promote trying to get the individuals to be as versatile as possible in the conduct of their duties. But the reason that we do not have any staff development money in there is we have always had staff development money in our budget request. And our budget request this year in terms of the Mayor's budget reflects a number that is less than the operating expenses last year because of a determination that although historically staff development has been part of our budget but this year it should be considered as a benefit yet it did not make it into the benefit number. So that number was lost in the budget process but I do agree with you wholeheartedly that that is a necessary part of what we should be doing.

Alderman Lopez stated and I totally agree with you because I tell you if you keep adding employees there is no end to this. We are going to go "broke".

Alderman Shea asked one of the problems I guess concerning what Alderman 3 was talking about the enforcement of different fines for the collections of different types of letters that are sent to people because of garbage is the fact that the ordinance for that is not as rigorously enforced as would be parking revenues. I think that is one of the problems. Obviously someone has to put in place some sort of a system whereby people who violate different types of trash ordinances



the collection should be as rigorous as the collection that the Police Department gets when people have parking tickets. Would you agree yes or no.

Mr. LaFreniere replied in the affirmative.

Alderman Shea asked so maybe a discussion should be held at a future date concerning how this could be done. The second point is cross training. You did mention about cross training at a meeting previous now how many people have cross-trained, do you know. In your department, how many have been cross-trained.

Mr. LaFreniere replied virtually all staff has had that opportunity for exposure to all the different aspects of what we do. Now obviously I cannot put a clerical person doing a technical inspection but...

Alderman Shea asked one of the real serious problems is the workload of the Zoning Inspector. I think we would concur that he has a tremendous amount of work. Has anyone...or has there been discussions concerning alleviating some of his caseload.

Mr. LaFreniere replied in the affirmative.

Alderman Shea asked so will that be something that you are going to come either back to the Board concerning or will you be working with him because I think that I call on him frequently and I think that he has to run from the West Side to the East Side to the North End probably not as rigorously but other parts of the City and I think that is a concern that we all have.

Mr. LaFreniere stated certainly this request was an attempt to address that but obviously we have to look at all alternatives.

Alderman Shea asked what is the percentage of raises in your department would you say it is 9%, 7% as far as the employees would be concerned...do you have a figure on that.

Mr. LaFreniere replied the merit raises it is...

Alderman Shea stated well basically would you go through the amount is it like 3 ½%, 1 ½% and 3% would that be a fair picture...7 ½%.

Mayor Baines replied it is 9% in the budget report, Alderman.

Continuing discussions relative to FY2002 budget requests as follows:

### **Planning**

Mr. MacKenzie stated for the records, my name is Robert MacKenzie, Director of Planning. I have tonight here Pamela Goucher, Deputy Director, Sam Maranto heads up the CIP program and also Judy Heminger who is our Chief Administrative Services Manager and handles our budget. I have handed out a package. It is a fairly short one and includes the presentation I am about to give but also at the very end of the package is an up-to-date one-page synopsis of our budgets. I would note that I am having second thoughts about our budget. I understand that everybody over a million dollars had to come here. We are just a couple thousand dollars over...do we have the option to cut it and go under a million dollars and still get out. I would like to jump into our presentation...Mission Statement...and this should only take about ten minutes and then we will be available for questions. The mission of the Planning and Community Development Department is to plan and manage the development of Manchester in a manner that insures a healthy economic base, safe and livable neighborhoods, a range of shopping and cultural opportunities, and quality public facilities. We are organized so that we have three main functions to our department. The Community Development portion which you are probably more familiar with as the CIP program to assist the Board and the Mayor in terms of planning, programming and budgeting for major capital projects and special projects of the City. And roughly one-third of our staff time is devoted to that. Growth management, which handles the management of private development, projects...the major ones in the City. That we provide staff support to the Planning Board, Zoning Board of Adjustment and several other boards and commissions in the City. And finally we have a long range planning and special projects that deals with general planning...such things as master plans, providing administrative support to other departments in terms of mapping and other functions, and special area plans such as the Civic Center area. So those are the primary functions and programs of our department. This year we are facing several issues and opportunities and I will just quickly run down through these. We are assisting the housing task force. Clearly housing is a major issue...affordable housing and we will be assisting them in coming up with some recommendations on how to do that. Assisting the Board in implementation of the Hackett Hill master plan, which is now before the Board. Assisting the Fire Department in fire facility planning. They are preparing to develop a Cohas Brook facility and they are also into long range planning for facilities in other parts of the City. Working with other City agencies in addressing traffic issues, assisting the Board in the development of a Senior Center, working on the development of a Civic Center area plan in order to insure that we will have maximum development opportunities as a result of that project, improving public information on growth

and development in capital programming in the City, initiating neighborhood planning and development activities, assisting in the planning for downtown and riverfront redevelopment, assisting as may be requested in the development of a program to improve the quality of our schools or to look at issues such as a high school capacity where available to assist. And also we are trying to maintain our City's number one position in terms of HUD ranking in terms of CDBG performance in this region, which is the Northeast. We do have a quick synopsis of our budget showing the changes over the last couple of years. There is slightly more detail on that sheet...the last sheet of the handout, which has more detail on particularly the operating cost and the revenues. You can see under the total here is just under \$900,000 was in FY2000 budget. A little over \$900,000 in FY2001 and slightly over a million dollars proposed in the Mayor's recommended budget. Of that there are some changes in the salaries...particularly changes in the benefits and pension category. Our operating budget is proposed to be flat. We do have some concerns about our operating budget. That may be a couple thousand dollars too tight, particularly when it comes to postage in particular and advertising particularly for the Zoning Board of Adjustment. Those are relatively high costs that we are mandated to do and that is going to be extremely tight to do in this operating budget. Service needs I wanted to go into these in detail...we are very tight on the staffing level. Administrative requirements have increase significantly. There is a need for staff training and we are also heavily into information management particularly the computer mapping geographic information systems. So in summary, more than ever growth in the City in particular and decisions on capital investments...special projects create heated public debate within a complex environment of regulations, law and multiple decision makers. Addressing these matters in a fair and comprehensive way that understands the implication for Manchester or the next generation requires a team approach to problem solving. The Planning and Community Development Department is committed to building a solution team that works with all groups to come to a fair resolution of these issues. At this point that is my presentation. I think it was exactly nine minutes, Alderman Pariseau, and I would be happy to answer questions.

Alderman Pariseau asked Mr. MacKenzie, relative to your item information management and your reference to the geographic information system...have you been working with that emergency response 911.

Mr. MacKenzie replied we have followed it but we have not been working directly with it. Our computer systems will work with that 911 when we are ready to interface with the property records.

Alderman Pariseau stated because they will come in and do it if the City request them to.

Alderman Lopez asked last year we gave you a Deputy to assume a lot of these...to make your office run smoother and responsibility...could you tell me how that has been applied. I see that you are asking...you have more staff problems.

Mr. MacKenzie asked basically I have been able to focus more on the specific request of this Board. There have been a lot of special requests this year. I have been the one that primarily handles those now and the Deputy Pamela has been handling most of the direct office work particularly the growth management issues to some extent, CIP working with Sam. She has been coordinating more with the Building Department and is preparing some recommendations to improve the working relationships and improve the processes with the Building Department. I think that has been our biggest area of gain is working with the Building Department.

Alderman Lopez asked you could live within the budgets you have presented.

Mr. MacKenzie replied in the affirmative.

Alderman Shea asked Bob, how much money would you be turning back in terms of not using up salary monies.

Mr. MacKenzie replied we anticipate at this point that it could be as much as \$60,000.

Alderman Shea asked the other point that I want to raise is that I had brought up two years ago maybe or a year and a half ago a charge for people who come in and the rezoning has to be changed, the map and so forth...have you included that as part of your revenue. I have not had a chance to look through it.

Mr. MacKenzie replied I know we have proposed that number be adopted...the revenues would go to City Clerk though not to our office.

Alderman Shea asked but that has been implemented.

Mr. MacKenzie replied that has not been done yet. We would still recommend it and I know you have discussed it and we think it is a reasonable...

Alderman Shea asked so does that have to go before Administration or one of the other committees is that it or City Solicitor. Why is it taking so long for it to be included.

Mr. MacKenzie replied we are prepared I know it was discussed by the Board it is up to the Board...we could implement that fairly quickly if you would like to.

Alderman Shea asked so are you going to bring that up to some committee or do you want...I think we would probably have to find a way to do it because it has been lingering for almost a year and a half.

Alderman Vaillancourt asked you and your staff spent a tremendous or a great amount of time on the rezoning ordinance this past year. Could you give us an idea of what kind of percentage of your staff's overall time was spent on that effort in the past twelve month cycle.

Mr. MacKenzie replied probably about 5% of my time on the order of 1/3 of Pamela's time and there were a lot of questions that came in from the general public so probably three to four percent of our total staff time.

Alderman Vaillancourt stated well you very skillfully answered that question low-balling it to the point where I cannot say that you could get rid of a staff member then, right. Only 5% of your time you are saying.

There being no further business to come before the committee, on motion of Alderman Pariseau, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee